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ROYAL COMMISSION  
ON  
BROADCASTING

HEARINGS

HELD AT

OTTAWA, ONT.

SEPTEMBER 19, 1956

v.37





ROYAL COMMISSION ON BROADCASTING

Ottawa, Ontario.

Sept. Ottawa, Ontario.

Wednesday,

19th September 1956

PRESENT:

ROBERT M. FOWLER

Chairman

EDMOND TURCOTTE

Commissioner

JAMES STEWART

Commissioner

- - - -

JOHN M. COYNE

deGRANDPRE

Counsel

PAUL PELLETIER

Secretary

- - - -

APPEARANCES:

## ASSOCIATION OF RADIO AND TELEVISION

## EMPLOYEES OF CANADA

6182

Mr. Eldon F. Wilcox, Executive Secretary

Mr. Marcel Trottier, National Committee

Member

Mr. O. C. Higgins, National Committee Member

## NATIONAL ASSOCIATION OF BROADCAST

6278

## EMPLOYEES AND TECHNICIANS

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Mr. David J. Trasker, Vice-President,  
Central and Western Canada.M. Ivan de Champlain, Vice-President,  
Eastern Canada

M. Adrien Gagnier, National Representative

Mr. T. J. O'Sullivan, National Representative

Mr. James Laurie, Vice-President

## A NUMBER OF CITIZENS OF KINGSTON; ONTARIO

6366

Dr. H. M. Love,

Dr. H. M. Estall.

## CHAMBRE de COMMERCE de MANIWAKI

6384

M. J. Rene Thibault, President.

## NATIONAL BALLET GUILD,

6398

Mr. A. G. S. Griffith, President.





Ottawa, Ontario.

September 19, 1956.

---On resuming at 10.00 a.m.

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THE CHAIRMAN: I am afraid that yesterday I omitted to give the usual explanation of our procedure, which is familiar by now and probably boring to anybody who has been a regular customer here. However, I think I should keep repeating it.

We start by asking those presenting briefs to either read the brief or make a summary of it outlining the main points, and then we proceed to question witnesses. Back on April 30th, when we opened, I said this, and I will read it again:

"The three Commissioners are approaching their task with no pre-conceived ideas, and certainly with no solution in mind. We want to get down to the essential issues and find out first of all what the issues are, and then work out some practical solutions and procedures for dealing with these issues if we can.

"To do this I think we will have to have a searching and detailed questioning, and we intend to do that, but you will all see very quickly the dangers of that kind of procedure. Whatever witnesses are appearing before





us at the moment will be questioned by our counsel and by us to elucidate his views. Such questions may have the appearance of being opposed to the stated views of the witness who happens to be before us.

"When, for example, I am questioning Mr. Dunton of the CBC I may sound like a supporter of private broadcasting. I can promise you when I come to the submission of the CARTB I may sound equally like a proponent of the public system in the interests of getting down to the real issues. When we get down to that both our counsel will proceed in this way, so I hope no one will try to read into this any indication that the Commission has reached a conclusion on any point. We will reach no conclusion until all the evidence is in, and we will give our best study to the issues raised in the Terms of Reference."

There is one other practice which has developed and I hope it is clear: we on this Commission are not allergic to criticisms; we welcome comment and criticism on any matter falling within the Terms of Reference, but we have made it clear that anyone who appears to criticize the CBC or the private broadcasters will be prepared to substantiate their statements.





If someone talks about unfairness we want the facts; if someone charges that such and such is done we want some examples; if someone claims there is oppressive conduct we are not interested in the opinions of the witness but we want the facts about it that he bases this conclusion on. In asking about such statements our questions are not intended to create any doubt or opposition to opinions expressed, merely that the general charges are almost valueless to us unless they have been proved.

Now, the first brief this morning is one that I am sorry we did not reach yesterday, but we did have a fairly long day. This is the brief of the Association of Radio and Television Employees of Canada.

SUBMISSION OF  
ASSOCIATION OF RADIO AND TELEVISION  
EMPLOYEES OF CANADA

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Appearances:

Mr. Eldon F. Wilcox, Executive Secretary

Mr. Marcel Trottier, National Committee  
Member

Mr. O. C. Higgins, National Committee  
Member

- - - - -

MR. WILCOX: My title is changed since that brief was submitted; I am Executive Vice-President of the Association now. Mr. Higgins is Vice-President of Zone 1, and Mr. Trottier is President of Zone 2.





THE CHAIRMAN: We will begin by marking your brief as Exhibit No. 215.

EXHIBIT NO. 215: Brief of Association of Radio and Television Employees of Canada.

THE CHAIRMAN: Will you go ahead with presenting your brief?

MR. WILCOX: We have said in our introductory letter introducing our memorandum that we appreciate the opportunity to appear before you, and we would like to state that again now; we consider it a privilege and in fact a duty to do so. Just in general before summarizing the recommendations of this Union, I would like to say that this Union and other unions in the industry have studied this industry in the past year perhaps more closely than any union has ever studied their industry in Canada before. If there seems to be some similarity in the recommendations of the various unions it results from a cooperative study which took place before the Commission began. Certain things we find ourselves in agreement on, and also there were some things we disagreed with.

Besides that amount of study between the officers of the unions, this Union has had recourse to its convention of last November and to a good deal of correspondence between our National Committee and our local offices across Canada. The brief, therefore, I think, can be said to fairly represent the opinions of the





people we represent in the broadcasting industry.

THE CHAIRMAN: Was this study, Mr. Wilcox, one that took in several unions that you worked together on?

MR. WILCOX: Yes. In fact, the appearance of this Royal Commission on the scene has created in the industry a council of broadcasting unions in which six or seven unions have formed a council for continued study of the industry and for consideration of matters of mutual interest.

THE CHAIRMAN: I think we had a letter from that council telling us there was a council but that we were not to have a brief.

MR. WILCOX: We are a little late in the day for that. I am president of the council but I am not appearing in that capacity. That will be a continuing thing, it will be a constitutional council under the Canadian Labour Congress.

We said at the beginning in the letter covering this memorandum that our members have an interest in this field, and this brief is, or can be, in some degree, self-seeking for the interest of our members. We represent some eighteen hundred people in the CBC -- announcers, production people, etc.

COMMISSIONER STEWART: Only in the CBC?

MR. WILCOX: At the moment only in the CBC; that is the only bargaining unit for which





we hold a certificate. The position that we take, however, besides being a matter of looking after the interests of these people who are working in the industry, is that the public interest in this inquiry could be the only proper basis of judgment that we make or that anybody else makes. However, we consider that part of the public interest is that the people who either as artists or employees work in the industry have a right to a proper level of income, working conditions, satisfaction from their work and respect from the public.

Our first general point under our recommendations is that we believe the present system of broadcasting should be continued without change. The word "basic" may be a little drastic.

Secondly we recommend that the established radio networks be maintained and not be allowed to deteriorate. We have noted that the loss of commercial income in radio, with sponsors switching their accounts to television, there is a danger of the deterioration of the radio services. Specifically, certain programmes have been cut down; we are told with the Dominion Network of the CBC, the service of that network is being carried by fewer and fewer people and in the West the private stations are gradually dropping out because it is not as commercial as it used to be and it is in danger of withering on the vine.



THE CHAIRMAN: We have had some evidence -- I suppose only opinion evidence, but some suggestion that the Dominion Network is not only in danger of deteriorating, but the suggestion is that it has deteriorated. We welcome your views on that point and also the question of whether with the emergence of television it is desirable to have two national networks in radio or whether in some measure the emergence of television makes it possible to do a national coverage job effectively with one good network. That is the kind of suggestion that has been made to us.

MR. WILCOX: Well, this is a considerable point. We consider that the reputation established in Canada, and, in fact, in the world by two networks of the CBC service is something that should not be allowed to deteriorate. In point of fact, I suggest a good deal of the reputation that CBC has gained in the past has been due to this radio service rather than the television service. The quality of our radio, while it was never greatly publicized in the way of commercial stations, has made its impact felt by many Canadian people, and certainly established a high reputation as a national service in radio.





There is another danger that occurs to us - in allowing networks stations - stations that were on a network, and carrying a considerable proportion of national service programmes on the dominion network to entirely drop away because the commercial revenue begins to drop, then there is a danger of allowing the private stations to drift more and more into a autonomous kind of operation separate from the national system outside of a network of national service programmes and, the effect is to take away from the communities the national service for which the rest of the people are paying and for which they are indebted themselves.

In a town such as at the Lakehead, I believe there is one dominion and one trans-Canada network there and there are also highly commercial operations and, if the station at Port Arthur, for instance, gradually drops all their national service because of this sort of thing it is going to destroy our radio national service, and the community is going to suffer. They also have a television station which is served by a certain amount of programming and the rest can be imported.

THE CHAIRMAN : Let us take your suggestion that the community would suffer if this was dropped off gradually. I suppose it would only suffer if it was not possible to give an adequate national





service on one network. In other words, I am thinking of this --- the suggestion is not as to dropping the network, but as to whether either one could make a complete and adequate coverage of stations and of programmes on one network rather than going to the expense of two, and I believe the suggestion was almost that it would be better to have one good network than two poor ones?

MR. WILCOX -- Oh it certainly is a very debatable point and the suggestion might be that the extension of service on one or other of the networks would cover the requirements over the day time hours when radio is still the medium in this country. This might be workable. In some places like Ottawa for instance where we have CKOY carrying the dominion network and CBO which carries the trans-Canada service at certain hours, and you have two choices between the two national service broadcasts, it may be that we just can't afford to maintain that kind of a picture without dropping the revenues in radio. A service or a system that must pay for itself is now becoming a very great problem from a programming point of view.

THE CHAIRMAN: Yes. On the other side of this particular point, where you have one network or two, you are talking about the question of the



differences between the different stations.

In other words, some are allowed to drop off almost completely from the network carrying the national service, and others apparently are taking a part and others are taking all. Have you any suggestions on that point? Is this your suggestion, that the national programme services ought to be at least the basic minimum?

MR. WILCOX : Certainly, sir.

THE CHAIRMAN : And that stations affiliated ought to be compelled to do this by regulation. Do you go that far?

MR. WILCOX : Yes. That, of course, has been the existing service. It is the only way of carrying out the national service. For instance sir, you will remember the Wednesday night programme, that was put on by the CBC trans-Canada network, and began the first year with two four-hour programmes, I believe. They were long programmes on two consecutive Wednesday nights and they covered the entire history of music from the beginning of the first musical sound ever having been created and covered everything right up to the modern symphony orchestra, with all the various instruments that had been developed and the various stages of development. Practically all of the musical talent in Toronto was brought into this and the top music man of the CBC was





the producer of the show. The whole thing was fed out on Trans-Canada network but it was not on reserved time. I know of a private radio station that had a little half hour segment that it had sold on Wednesday night on these two consecutive Wednesday nights because it was not reserved time on that station.

That station carried organ music, just basically one disc after another of organ music, for this period up to this half hour that it had sold, then put that half hour on, and thereafter filled with organ music up to the next programme. So that the people in that area didn't get that particular thing and I think that two stations in Eastern Canada carried it and it was an extremely expensive national broadcast.

The next year Wednesday night was reserved time so that the people of Canada got what they were paying for. However, the private stations are not interested in providing a service of this sort. Even if they could only sell a half hour of that time they are going to sell it, if it is left open to them to do so.

THE CHAIRMAN : I am taking that merely as an illustration of your case. Is it that at the outset this Wednesday night programme should have been specifically reserved by the CBC on all of its stations --- am I right in that assumption?





MR. WILCOX : Yes I certainly do think it should have been reserved on the national network.

THE CHAIRMAN : Or should have been produced as it was, on reserved time. There may be quite a difference.

MR. WILCOX - This was a convenient time sir -- this was the kind of time that ordinarily is served - it wasn't in that particular area -- that would have been about '48.

THE CHAIRMAN: Would you go this far -- that when you have the expense of preparing this type of programme the decision should not be to produce them unless you are providing for taking them up?

MR. WILCOX : That certainly is my answer.

MR. COMMISSIONER STEWART: We have two networks in this country - the Dominion and the Trans-Canada and presumably there are certain cities or localities in the country which can receive both. Is programming on the two networks different to the point where those districts who can receive both get a choice of programmes?

MR. WILCOX - Yes, I would say by and large Trans-Canada network is something like the Home Service of the BBC and the other is very light.

MR. COMMISSIONER STEWART: Would you consider that we need this choice of programming from the CBC in order that the CBC can give a



national service, or could they fulfil their function as stated in the Act, to give a national broadcast service that could be obtained through the one network?

MR. WILCOX: Well sir, the Chairman put the question as to whether we can afford to have only one network.

MR. COMMISSIONER STEWART ; No, I am not talking about whether we can afford it or not. Would you consider that the CBC actually would be giving a national service through one broadcasting network ?

MR. WILCOX: It is conceivable that it would be justified under certain circumstances sir. But the discussion took place yesterday on the question of taste etc.

MR. COMMISSIONER STEWART: Yes.

MR. WILCOX: There is in our opinion a definition that can be made of good and bad taste. You can tell the good one from the bad one.

MR. COMMISSIONER STEWART : Well - you can.

MR. WILCOX: I don't know if that is generally the case. We don't agree with the idea that good taste is something that cannot be defined. In point of fact we think, by and large, the CBC has been successful in defining it. It is not defined as presenting the Toronto Symphony orchestra every week, but there has to be a good choice of





programmes - and there are good ones and there are bad ones. The CBC has pretty well developed the ability in the people to know the good ones from the bad ones. There is good Rock and Roll and there is bad Rock and Roll. Which is the good one -- that is the question. It is debatable but if it is possible to provide this on one network only it may become an economic necessity to do so, but certainly it would be limiting the service we are used to receiving. We get one of the light variety, and one of the dramatic or symphonic kind and we have had a choice to listen to one or the other in all the larger centres across Canada.

MR. COMMISSIONER STEWART: Yes, but to get back to my question, do you consider that the CBC could fulfil its functions as set out by the Act, through one network, if that were necessary?

MR. WILCOX: It could justify its service sir, but I think it would have to be justified in terms of limited finances.

MR. COMMISSIONER STEWART: Yes.

THE CHAIRMAN : What you are saying is that beyond that it would be a better service if you could have a choice of the two networks.

MR. WILCOX : Yes.

THE CHAIRMAN : But there may be a limitation of finance which will compel you to do the best you can with only one?





MR. WILCOX: Yes. We also take the attitude that you can say it is a question of either/or, and if you can get both then you should have both.

Now I come to my more specific recommendations under Section A, Mr. Chairman ---

THE CHAIRMAN: I think perhaps, Mr. Wilcox, we will let you go through the headings rather than interrupt you on the side as we have been doing.

MR. WILCOX: We have heard it explained that in respect of the television service, in English and French, that the CBC has remained the central regulating feature of the national broadcasting service, and the CBC we feel should make and enforce clear-cut regulations for television.

We have mentioned, sir, that the regulations in connection with broadcasting standards for television have not become crystallized and defined in the way that they were in radio. We used to have an idea of what we could expect from the CBC in radio but nowadays, I think, largely again because of the worry about the financial position of the private television stations -- and I do not like that word "private" as affecting radio or television, as I believe there is nothing private whatever about such an operation, including the meaning of an investment interest in the airwaves and so on ---



that word private I consider has been much over-worked in the industry --- but we understand that because these private stations, so-called, are in some financial difficulty, the corporation has cut the national news down to ten minutes of newscast, in order to give five minutes of local news and sports and so on, which is in fact, I am told, in many locations just becoming borrowed for commercial spots. We would never have considered in radio doing a thing like that. We would never have expected that from the CBC in radio, but because of the financial pressures and so on, existing broadcasting regulations have been extremely fluid and flexible -- perhaps necessarily so, and it seems to be producing a weakening of the standards that used to be set by the CBC in television. For that reason we would like to see a definite line of regulations made and put into force in Television.

We think that the CBC should inform the public, regarding the possibilities of energetic public relations work. On this point sir we believe that the propaganda of other agencies, usually self-seeking, has created a number of misapprehensions in the minds of Canadians about the facts of who owns what in this country in radio and television and in fact much of the





propoganda has been misleading and the public has the wrong idea about where the owners are. They have been induced to believe that there is competition between these apparently two systems, where in fact there is only one under law, or any principal ever laid down officially in this country.

We think the CBC should let the public know about these things and not to take pot shots at CARTB or the private stations but to positively inform the public about the actual circumstances of this matter.

We think that advertising should not be allowed to influence programming content or scheduling of programmes. This may or may not be self-evident, especially as it affects scheduling, but the choices for programming should not be made in terms of what the sponsor would like to see - he should not be allowed to choose because of a mass-audience available to him, or because it is not going to oppose an American show that is across the line and to which the audience may be listening. Instead it should be scheduled according to proper programming, thinking in terms of whether it is good for that period for the people available - the audience available, at that time and not in terms of what it will pay a sponsor.

THE CHAIRMAN: I did say I wouldn't



interrupt you but on one point of clarification only - is it really practical to make that suggestion -- that the sponsor should not be allowed to influence scheduling. The thing he buys at eight o'clock at night is a different thing from what he buys at three o'clock in the afternoon and should he not be able to choose what he is going to buy ?

MR. WILCOX; Yes he should be able to choose what he is going to buy, but the programme should be placed there by programme planning interest -- in the public interest first and when the programme is placed there, it may be offered for sale if it is the type of thing that can be sold.

THE CHAIRMAN : What you are suggesting then is something equivalent to the ITA set up in England, in which there are no sponsored programmes at all, but merely spot announcements - is that not right ?





What I am getting at is, if the programme schedule is laid down as an ideal programme schedule, then you don't really sell the programme. You merely sell certain spots around the programme?

MR. WILCOX: There is no real reason why the principles of good programming and the interests of the sponsor should not coincide.

THE CHAIRMAN: Except the trouble is that the interests of two sponsors may come into it. I am not disagreeing with you; I am just raising the question as to the practicality of your question. Let us take, for example, the Ed Sullivan Show, or something that doesn't happen to be a Canadian production at all. How can we avoid the fact that the Ford Motor Company, who sponsor the Ed Sullivan Show, will have some influence on the scheduling of that show?

MR. WILCOX: Well, sir, it would seem to me a thing like the Ed Sullivan Show, without thinking about the sponsor at all, proper programming would probably dictate it should be on at a good hour on Sunday night at a time when the largest possible audience was going to see it. Also it is geared to family listening to a fair extent, and should be on at an hour when, at least, the older children are not in bed. That seems to have been the attempt on the part of the producers in the States, to schedule it at a time like that, not because it is best from the sponsor's point



of view, but because the interests coincide. However, sir, on television this matter of influence on the schedule is much more dangerous and much more prevalent. There are certain national service programmes which may be of wider interest or seen by more people of the group to whom the programmes are addressed if they could be scheduled at a different hour. In our bargaining with the CBC on one occasion they argued announcers had created a number of programmes in television, and the staff of people had, in fact, creative abilities which they would like to make available on television. The argument was stopped cold when we were told there was no place for it. Where would you schedule it?

Even the farm broadcast has to be half an hour in the middle of Sunday afternoon. It may or may not be a good time for a farm broadcast, but it happens to be an available spot which no commercial sponsor is willing to touch. If it were necessary to reach farmers in this country, to put on a show on a Sunday night, they would not get that show because that time is committed. That is, in our view, a case where the large sponsors are having too much influence.

The anomaly of the situation is that something like -- and I don't know the actual figure -- but I would hazard a guess that eighty per cent of the CBC television service contains advertising content and is so-called sponsored,





but only about one-fifth of its income is paid for by sponsors.

COMMISSIONER STEWART: Have you tried to make an analysis or even a guess at what this recommendation, if carried out, might mean to the revenues of the CBC?

MR. WILCOX: No, but in terms of television, I don't believe that the sponsors of programmes -- the so-called sponsors, the people who are allowed to pretend to the Canadian public they are either presenting or producing the material -- and the amount that they are actually paying is one-fifth or less of the CBC television service income. That is an anomaly that cannot be justified. If we are talking in terms of \$50 million or \$60 million worth of service, then the sponsors do not deserve to get that for \$6 million. It just doesn't figure, but that is the existing situation. In point of fact, our scheduling and therefore a lot of our service, is being directed to sponsors. The Corporation tried for a long time to control these programmes. They claimed to us they were not allowed to handle the staff, that they were only hired for one year, and the producers were in the same position.

MR. COYNE: In connection with your \$6 million figure, I think we have been told that does not represent the full amount of expenses which are paid by the sponsors in connection with the programming; that that is a



net amount which for some reason or other the CBC put in their accounts, but in point of fact the commercial sponsors pay, themselves, large amounts of expenses which would have to be paid by somebody anyway, and which are not reflected in the CBC accounts?

MR. WILCOX: Would they be expenses for production of commercial clips, and that sort of thing?

MR. COYNE: I don't think so. I can't give you the detail.

MR. WILCOX: It is only reflected as \$6 million of income towards the payment of production costs.

THE CHAIRMAN: I think it is the net figure that comes to the CBC. But, just to take it in general terms -- and I am speaking from even less clarity than the recollection of Mr. Coyne -- I think it is something like this, that if a national network sponsor puts on a programme, there are various expenses that come out.

MR. WILCOX: Fifteen per cent to agency.

THE CHAIRMAN: Yes, and something to the private station for the programme, and something else may go to the wire service, and when you are all through you have got \$6 million left, but I think the point is that you said they were paying only \$6 million.

MR. WILCOX: When you are paying





out \$30 million or \$40 million for a service that is losing money, I can't see how you would start deducting all the costs ---

COMMISSIONER STEWART: You can't go at it in that way, because in the \$40 million of expense you have the expense of sustaining programmes and national service, and one thing and another. You have to relate the costs of the programme to the income from that programme, and it is not possible to do that on the basis of the figures given to us by CBC. Also you have got your French network which imposes a certain amount of expenses also.

MR. COYNE: The point is only this, and it is purely a question of proportion; as I understand it, if the CBC were to maintain precisely the programmes that it does at the present time but without any commercial revenues, it would cost them a great deal more than the \$6 million which they put in as a net figure in their accounts. There would obviously be some items saved altogether. For example, the agency fee. But there are substantial additional amounts, which the CBC would have to incur if there were no commercial revenue, and that the proportion between 6 and 30 is not quite realistic.

THE CHAIRMAN: To put it in a slightly different way, I thought you made the statement, Mr. Wilcox, that these advertisers were getting 80 per cent of the control for an expenditure of



\$6 million.

MR. WILCOX: That appears to be the case. Our members in the treasury division are greatly overworked sometimes by getting figures for various inquiries in our industry, but I believe this Commission should know what, in fact, that figure is. As far as I am aware, this anomaly exists.

COMMISSIONER STEWART: I think the studies being made now will give us that information.

THE CHAIRMAN: We have very extensive financial studies going on, and I think we will have a complete analysis of the commercial side of Canadian television, and the only point I am reasonably certain of is that the advertisers, in fact, pay more than the \$6 million you suggested a moment ago.

MR. WILCOX: This may be a good point to interject that when you suggested in making general accusations or general recommendations you like to see facts and figures, you can see the difficulty we have in getting them. We are making certain statements about private stations which will be very hard to prove in terms of evidence and the ordinary rules of evidence. We are hoping that the continued reiteration of the opinion of the Canadian people as represented by us, representing only about eighteen hundred, and somebody else representing about five hundred, may carry the day.





THE CHAIRMAN: I was only trying, in fairness, to serve notice on you that there will be questions.

MR. WILCOX: In terms of money we have got a formula here, and we have attached a figure to it which we now believe to be an unrealistic figure. We go by various public documents available to us, and we were under the impression that the anomaly existed.

THE CHAIRMAN: I would agree that when you are in the field of finance Lord knows we are going to have enough trouble doing it with all our staff, and I understand there is great difficulty for an outside organization to do it. Anything you can give us on this we will appreciate.

MR. WILCOX: For Section B the recommendations are these:

That the CBC should maintain and consolidate its necessarily centralized production facilities in Montreal and Toronto, but should expand into local and regional programming on a regular basis. Certainly we consider that under the Act the responsibility falls on the Corporation to do some programming, and the Massey Commission's recommendation was strong on the point that some regional programming should have been developed and should be developed in radio. We think the same principle applies in television.



The question of whether it should expand into servicing the local community is a question of whether or not the private stations in television can, or in radio will, do any more than they have done in serving their local communities. We will get into the question of private stations again, but unless some guarantee can be given that local stations will, in fact, do their local job, we think the CBC should go in and do that local job in the course of time.

Second, that it should spend more money on producers' salaries, on star talent and rehearsal time. We are disturbed over this fact, that the Canadian public, outside of our industry, is not aware of the kind of people we have in the industry. When somebody sits down and starts talking about the creation of light programmes and variety programmes, and suggests that we don't have comedians in Canada, I wonder if they ever watch the service. You have to look closely because nobody ever builds the names of these people up. Frank Haron is the best in Canada, and he is better than a lot of American comedians, but how many people in Canada have heard of him? Who knows about John Dranie, or what became of Bud Knapp, or who knows any of these people? We have a programme called The Plouffe Family which is the best programme produced in television -- certainly one of the most popular, but who knows anything about the people who





create it? This is one of the CBC properties and they are afraid if they publicized these people they will ask for more money. They don't, generally, do very much to give credit to their star talent, and in point of fact credit is almost as important as financial reward.



When you get a group of people to work together and enjoy it people like Emile Genest and Pierre Valcourt there is a force that holds them together and it is not money, because they are all offered a great deal more money to go to the United States time and again and most of them have resisted it. At this point of the game, after all it is almost ten years, in fact a good deal more than 10 years, and very few theatrical people have even heard about these people. The mass audience would prefer to look at faces whose names they know; they will look at, not the performer or any greater talent, but any so-called name from the States. And this is another thing that hurts, our actors -- we get one-third of the time on television that is given to the same kind of production given in the United States. And with rehearsal time it is the same. This is a highly complex game and much more difficult than film to work in and more difficult than the theatre and as a result of limited rehearsal time most people are shoved before the public before they are ready, and unless you are extremely quick and very flexible indeed, you are likely to make a very bad showing. I heard John Dranie's name spoken across the country and that is because of Mr. Dranie's show in New York where he got lots of time and did a terrific job but this was never publicized by the CBC. Another point about these productions until we get producer's salaries somewhere near the values that producers are earning





in other places we won't have the best producers. Granted we have been in the process of training Canadian producers but there are Canadian producers working in the United States, at this stage of the game, where they get a good deal more money than they do here and have much better facilities and more rehearsal time and so on.

We should lower the quota of American-produced material, and especially imported film programmes. It should protect the Canadian market against imported and preferred performances from abroad. Specifically, it should place a price differential on station time for Canadian programmes as compared to American programmes to encourage sponsors to buy Canadian vehicles for their advertising. We do not need to put up any Chinese wall, but we do think that the industry in Canada should have some protection.

It should encourage members of the film staff to originate programme ideas and participate in programmes. At present staff members not directly concerned with programme production are discouraged from appearing, even in their off hours, and in some cases they have had to resign their regular jobs in order to appear. In some cases he is allowed two or three appearances and so on, and he cannot go on without quitting his job. There is some fear that staff people might get preferential treatment, but I don't believe there is any basis to that. A person whose



career is just beginning to get established might have enough appearances to get himself into Mr. LeRoy's council and to get a card but not enough appearances to make room and board.

THE CHAIRMAN: That is not an unusual circumstance -- division of labour -- carpenters are not allowed to do electrical work.

MR. WILCOX: I don't think that that is quite an analogous position. At this time when people are looking for the talent they want to fill their programme everything possible should be done to give Canadians experience in this medium and to establish them in television. It should use its own facilities to publicize star talent and various types of programmes. We don't consider a sufficient amount of promotion has been given to the programmes or the talent that should be given using the actual facilities of the CBC. We think the CBC should actively co-operate with universities and other institutions to provide summer schools in writing, acting and announcing. For such schools the CBC should provide instructors, and at no time in the past has the CBC done this. We know of the undertaking that will begin for training of new announcers. We might say the glamour, so-called, of the announcing profession seems to have slipped a considerable amount and very few people are now buying. We should have a degree of qualification.

We think the CBC should actively promote the sale of Canadian programmes abroad to enhance



our prestige and recover some of the costs of production.

It should reconsider the apparent policy regarding talks on television, taking into consideration that the presence of the speaker on the screen can enhance the interest. Few talks have been done on television without using the interview or "magic-lantern-slide" technique. Those which have been very interesting. The panel method, interesting though it is, is frustrating as often as not, because none of the speakers say their whole piece on the subject at hand.

The only talk I have ever seen on television was a "smasher". It was done on radio and then they brought it out on television on Tabloid. It was the only place they could put it. If you look at television you will see there is no place to put a talk.

THE CHAIRMAN: It is a very difficult medium. The person who does the talking has to be an actor. He has to be something of a personality and you have to be careful who you pick. One of the advantages in talking in a hall, the audience is a longer way away from the speaker.

MR. WILCOX: Recently I heard a talk by Morley Callaghan. He is a talker. Some of these people are very interesting to look at, much more interesting to look at than just to listen to.





THE CHAIRMAN: It is our constant desire to protect the Canadian public.

It should encourage any interest shown by "private" stations in original production. This might be done by commissioning production of single programmes or series, and by providing skilled production assistance.

We think, also, there is a certain amount of raw talent among the production staff. Certainly this was true in radio. Whether or not there is as large a production staff available to individual private television stations, we do not know, but this kind of thing could be developed for a national network. Where someone is putting on a show if a skilled producer went in and advised them and helped them and perhaps put on a series of shows this might develop some return to the national service.

THE CHAIRMAN: I think it has actually been tried. One bit of evidence is in London there was a live production and the CBC went in and worked with them. That kind of thing.

MR. WILCOX: It happened occasionally in radio and, of course, occasionally productions originated in radio became television shows. It is much more difficult to put on a television show and we would like to see it happen.

It should establish by regulation a reasonable amount of reserve time on all television outlets for distribution of its own product, and should enforce such regulation.



We know we are at the beginning of television but we should not like the situation to develop in Canada to a point where 25 or 26, or 35 or 40 private stations are doing nothing but using television shows that come from this place or that place. There is a possibility that network television may kill off both or one of our network stations. Under the Act they exist for two reasons and neither of them is to make money. One of them is to provide a reflection of local community life and the television station that gets into the habit of using American films and CBC programmes and film clips are not functioning in a manner that was envisaged under the Act.

Now Section C. It is our understanding that the present CBC television service, without improvement as to the number of Canadians served, the number of hours of programming, or the quality of programmes offered, could be maintained at a cost equivalent to \$15 per television home per year.

Referring to the points council suggested perhaps a basis of 5 and 20. We consider that this part of the financing is a sound one in principle. That a statutory grant of at least \$15 a year from year to year would be dangerous and would suggest that it would be done for a five-year period.

THE CHAIRMAN: Were you present yesterday when we were discussing this?





MR. WILCOX: Yes.

THE CHAIRMAN: You see, the problem worrying us is whether this is an accurate yardstick of financial need. I take it you will agree with Mr. LeRoy yesterday this is the best we can put up but if there is a better way you can accomplish the thing more accurately we will go along with it.

MR. WILCOX: We would like to see a situation where some degree of security arrives in the CBC. I remember a CBC official telling me a few years ago that this was the most under-financed Crown corporation in Canada for the job it is expected to do. It has always been under-financed, and it has been in an insecure position from one year to the next.

From our position, and we represent about half the people who work in the CBC from the point of view of collective bargaining, we consider the fact that the CBC cannot plan for more than a year in advance leaves them in a position where they have to create bad working conditions. We have a situation here in town where there is an office full of people who are working on figures all day long and working overtime and all they have are three or four windows at the back of the room and open at a point where citizens are boiling lead and the fumes of which are enough to make a man sick at his stomach. The vice-president checked on that and he quit breathing just in time.



How can you grieve about a thing like that, we take a thing like that to the CBC and they say, "You are right, it is inhuman, isn't it?" Now where do you go from there? We cannot build a building, we cannot stop a citizen from boiling lead, we cannot do that without money. The bad working conditions is one side of the thing which results from the Corporation not having enough money. We gave you a number of examples in the brief and it comes to 14 grievances and that is a very greatly digested list of the complaints about the carriage building but there are a number of buildings like that, we could come to the point of tears about it.

Another consideration from the point of view of people working in the industry is that they do not have any security, they do not know where the CBC is going to be five years from now. They go into a thing that gives them a permanent employment, regular members of the permanent establishment of the CBC, they have a pension plan, and group life, but they do not know whether the CBC is going to live long enough to pay up on this because of lack of money. We consider that the handling of personnel has been deteriorating rather than improving and this by a Corporation which has a very good relationship with this union, we are on extremely good terms and we consider that the Corporation bargains fairly, that is in fact a very general attitude at top level management in matters of industrial relations. We



consider that the pressures on the top management of the Corporation make it impossible for them to know what is going on in the Corporation. We had last week 40-odd letters from members of the treasurer's office in Montreal alone asking for transfers out of that division. A number of people with seniority up to 10 years or more are resigning from that department because of what they call insecurity. It is very hard to get at what is worrying them, but if this is the kind of thing that is bothering them we think the CBC would and could improve these things if they had the money.

I have not said a word about the salaries paid in the industry, but I might say they are something like 50 per cent of the salaries paid in the United States. We consider a job and wage analyses have to be renewed in order to pay a man what he is worth. We consider that the jobs in the treasurer's division are worth more money than they are being paid. We think traffic clerks should get more money but these people are paid at the rate of stenographers and typists and they are much more important in the United States which in terms of operation are valuable but the CBC cannot meet that kind of bill and they cannot make the adjustments we feel should be made because the money is not there.

Then, the Corporation created the first chain of 50 kilowatt stations in this country in the days of Dr. Frigon's administration. The staff





has carried the CBC to a large extent over the years. A lot of the programmes that have been made in this industry and of which the staff is very proud have been made at the expense of the staff. We think it is indeed fair to put these points before the Commission.

THE CHAIRMAN: It is not only fair but from the point of view of your group it is necessary and right but what effect is this having on the service provided?

MR. WILCOX: Well, certainly getting off the line of our particular interest which we think justifies asking for more money for the CBC, we think it is going to exist for at least some time and we think this has a very bad effect on the service. Internal problems like the one we are having at the moment in the treasurer's division will continue to effect the service. One girl I know of had a call from a girl in another department who was going home because the place was freezing.

THE CHAIRMAN: I wanted to go home yesterday.

MR. WILCOX: The CBC has no control over that situation because they are in a building, they have protested to their landlord, they asked for heat and did not get it. All they can tell the girl is that they will keep on asking but cannot get it. In one department after another this is the case and it has a bad effect. You see the statements in the brief, there is staff working in store



houses, the morale of the staff is not very high and that kind of thing cannot help but have a bad effect on the whole service and certainly this business of scattered buildings and general inefficiency results from not having unified service in one place and it is having a bad effect on the service. Money is going to pay for that hodge-podge of make-shift arrangement which goes on from month to month that should be going on things like the rehearsal time and production and producer's salaries and so on in our opinion. We think the CBC should continue to accept commercial revenue, certainly with a lot of control. The deficits of the CBC should be paid by a special statutory grant before we come into this new policy. We understand they are losing money and we think those debts should be paid off.

There is a special problem which I do not believe we have made a point of and that is the matter of capital expenditure. Some provision should be made to provide for that. I think the people who have appeared before you on this have been remiss in that they have not tried to form a picture in our minds of what the capital assets of the Corporation should be in an ideal situation. How many buildings should they have and how many locations in Canada and that sort of thing. The creation of these capital assets is going to have to be outside the kind of figures that anybody has been presenting to you here.





THE CHAIRMAN: I can see the difficulty of having them doing it but it is the difficulty we have to face because certainly the capital side as well as the current operating side has to be considered and it is important for this Commission to get at anything that is helpful.

MR. WILCOX: Well, I wish we had some research facilities to put into it but we could do nothing but recognize that there is such a problem. We consider that the plan for CBC finances in radio should be based on a base of "X" radio dollars per year and we think certainly it should be enough to continue a respectable service on at least one network.

COMMISSIONER STEWART: I gather from one remark you made you would like to take out the dollar sign and leave it at a statutory grant?

MR. WILCOX: Yes. I do not know what that would be but there is a considerable commercial revenue in the networks and that loss is a continuing thing. We believe the income and objectives of radio and television service -- the word "mainly" is an ill advised word, we consider that the same management should be responsible for them, but they should be handled as two separate entities but the CBC executive should continue to handle all CBC income. We recommend that the Corporation's financial position and commitments be reviewed in five years from the time that this plan is inaugurated. Now, on this point I would like to introduce a point which is new to us but which we think has considerable merit. The Commission



has been faced with suggestions from a great number of sources of the setting up of panels, boards, bodies, etc. I think you mentioned the figures of some 40-odd so far. One of the problems we think of in this service is this matter of having a special committee of parliament set up with practically every parliament that comes along to inquire into the affairs of the CBC. This sort of thing seems to us to take on some aspects of a political picnic and it seems to be becoming an investigation into the affairs of the CBC by people who are not continually in contact with the operation of radio and television in the country, and who are bound to ask a great many questions each year which all have to be answered anew. These are never quite the same kind of questions and you cannot use the same material twice. We think a standing committee of parliament should be established, something like the Banking Committee, a committee which would be continually operating and continually interested in the industry, the members of which would become interested in the industry if they are not interested now and would get to know something about internal problems of which we speak which I am sure the Commission has found to be complex and difficult and cannot be learned over a week-end in time for a special committee of parliament. We think the chairman of such a committee should be the man through whom the CBC should report to parliament rather than reporting to a cabinet minister. Now, this comes up at this point because we have mentioned that the CBC's financial



position should be reviewed after another five years, whenever a Royal Commission is established, certainly, and sometimes when a special committee of parliament is established. A worry goes through the whole industry as to whether or not anything that we know of in the radio and television industry will survive the hearings, whether the report will leave anything of the CBC or leave anything of the private operation or just what will be left.

COMMISSIONER STEWART: A standing committee would give you a constant worry instead of an occasional worry.

MR. WILCOX: We believe, sir, that if people were doing this kind of thing from year to year that they would have to answer the kind of problems that the management and the Board of CBC is having to answer every day, and they would begin to learn what, in fact, faces these men, what the real issues are in broadcasting. The Royal Commission has not been able to go into it, they take a year or two to do it and they have certainly done what is a very proper and complete job in each instance.

COMMISSIONER STEWART: You feel, in other words, that there is too much time spent by CBC officials on defence rather than on instruction?

MR. WILCOX: Yes, I think the standing committee would create a more continuing relation between the parliament and the broadcast service.

THE CHAIRMAN: And part of the reason for that too much time being spent is based on the





fact that you go over and over the same ground with different people?

MR. WILCOX: Yes. Now, just a corollary point to that, this is another new point. We think the basis of the Board of Governors should be broadened. Now, again, your Commission has said that everybody wants on the Board and the only answer would be to put all Canadians in the country on some board or other and this might solve the problem. We do feel that in a business like this one writers should feel that there is somebody there who knows something about writing and something about their problems, the artists, the agriculturists, the trade unions, the Council of Churches people have some right to be represented on a board like that. We are aware there are great difficulties in coming to a formula like this but the suggestion we offer for what it may be worth is that the large bodies of public organizations in Canada as the Labour Congress, the Council of Churches, the Canadian Federation of Agriculture, people like that, might suggest to the standing committee the names of the people they would like to see placed on the Board and that committee could then make its recommendation to the cabinet and the cabinet would make the final decision. This might have the effect of broadening the Board of Governors, it might answer some of those things that people have been saying about getting representation. We do not like the idea of seeing numerous advisory



boards surrounding the Board of Governors to tell them how to protect the family and the working man. The present Board is harried enough with the general influx from the public without having semi-official panels set up all around them with a dubious kind of authority that no one can measure to tell the Board of Governors what to do and how to programme their stations.





THE CHAIRMAN: Just on that point, what about the geographical representation on the board? I think we all pretty clearly recognize that in a country like Canada we have to have some geographical distribution. Is there a possibility that the present method is too rigidly divided into geographical compartments ?

MR. WILCOX : Well certainly a good argument could be made for any region who wanted to be represented on anything that is important.

THE CHAIRMAN : I think it should be argued that they ought to be represented at some time but, do these regions have to be represented all the time. The sort of point I am thinking of is the practical one that if we are going to have a board of governors which is really able to do this job we have got to have geographical problems in Canada. Just in getting the attendance at meetings, - I am sure that your organization must have this difficulty, and it may be that in order to have a practical manner of dealing with the situation you have to have a great concentration of membership on the board, including those who can physically get to the meetings more often. You do not have any views as to the rigid geographical distribution though ?

MR. WILCOX : Well they ought to have representation but I would say we should continue some kind of regional representation. It may be necessary to exercise or have a smaller executive



within the board than is provided in the Act, perhaps to expand it slightly and use it more, and bring the board together perhaps once or twice a year, rather than do all the business and meet all the time. However some kind of representation obviously is necessary and has to go on, if you want Canadian federation. The regional representation is an important question and might very well be a legitimate demand. It is a problem which, I think, must be met.

Further on in the recommendations under section F, we say that the CBC should remain as the central regulating body for all Canadian broadcasting. We won't take up your time by enlarging on that. We know what the present system is and has done, and we think that it is the right system, and we think that the people who attack that system and do so for their own good or for any other reasons, should be informed of what the system is and that it should be maintained and that the propaganda of people attacking it should be answered by the CBC in a positive public relations programme.

Then we carry on to say that the private operators' demands for basic changes in the national system be denied - that the CBC should be required to publish the facts regarding the services given by private operators as fully as they report the CBC activities and to publicize the basic facts of



the policies governing broadcasting in this country; "that a system of fines should be devised and applied against those who are guilty of infractions of regulations."

Mr. Le Roy covered this point quite fully yesterday. We don't think the board is likely to take away the licenses of private stations in communities and deprive those communities of their service because of an infringement or of an obvious resistance to regulations or obeying regulations or following the Act. "That in cases of gross negligence or repeated infractions of regulations, licences should be cancelled and facilities expropriated by the CBC. Such facilities should remain in operation under CBC management until a responsible local applicant asks for a licence and offers to purchase these facilities."

That is asking a great deal. We don't think a community should be deprived of its radio or television services just because of gross negligence or otherwise on the part of a private operator. "That monopoly control of radio television and newspaper should not be vested in any individual or syndicate in any community and that where such monopoly exists they should be broken up." It seems to us at least that this monopoly control is a bad thing. Another thing which is bad is for a private radio station or a private television station to be operated





by anybody outside of the community. The function of the private station perhaps, is even more important than the use of the private station as a dissemination point for national service programmes, and is to serve the community.

We are not aware of any model station in Canada, but we believe there is one that approaches that in Antigonish, Nova Scotia, which is co-operative, and, despite its best efforts, apparently continues to make more money than it knows what to do with from year to year. It makes a great deal of money on local programmes.

The reflection of local interests and activities is a matter which need not cost the station anything in terms of local production. They have local people on the staff who are available to do things, but there is very little of this kind of thing being done. I worked for a private station myself once, and we put on a series of 13 discussion groups - and we had 9 sponsors in the community who would attach their names before and after this thing, and we were working in unreserved time, when anything was available to us. Of course your sustaining national programmes would not cost the station anything to produce, but in this case I was the only staff member involved and I was putting it on in my own time and private stations do not usually pay overtime -- certainly this one didn't!



After 9 programmes had gone on the air the 9 sponsors had attached their name to it, but the station just dropped the series and went back to carrying the CBC sustaining programme. Now this was a lively programme and an interesting series in my opinion, but it was too much trouble for them to be bothered with, unless there was some money involved.

THE CHAIRMAN : Well they didn't get any money from the sustaining programmes ?

MR. WILCOX : No - they didn't get any money from the sustaining programmes, but they didn't have to be bothered with anything. They were getting in public criticism on this thing - and differing opinions on the views that were expressed, there were letters to the station asking for opinions and so on. Anything in a small community is bound to create that kind of reaction. I was told of the example of a man who was an officer of a private station group at one time, who had his own station, and when he became an officer of this group he decided to run a talent programme. He felt he had to do something in terms of public interest and service and so on. This was a policy that had been discussed at a convention or something and he felt that it was necessary for him to do it. Therefore he set up a complicated affair and put up about two or three thousand dollars and he gave





station facilities of course and, also got a panel of people to judge the entrants - the entrants all making a request to appear and so on - and there was a series of elimination programmes first, where the winner was chosen.

Now the mother of one of the other contestants wrote to the station and raised the very dickens with them because her boy hadn't won the show. He said "Well, if that is the way they feel about it, I will just take the whole thing off." So he took back the two or three thousand dollars and he cancelled the whole series and wiped the whole thing out. Now, he just wouldn't have that sort of criticism from the public, and he wouldn't stand for anything on the station that was going to draw that kind of reaction.

We think it has been shown in radio quite clearly and also in our own experience, that many people do not know that you can get the people of the community to support the private station against the CBC or anybody else who comes into a community, and that the opinion of many of the citizens of the community will be against any federal agency that goes into a town and tells one of its citizens what to do. The prejudice is definitely in favour of the citizen. Now, if that local operator would find out what was going on in his town among the labour people, among churches, among women's groups,



little theatre groups and so on, many people will perform for nothing. He has got all kinds of spaces in his programme schedule and he can use this sort of thing; the CBC is filling his programme schedule in the meantime with sustaining programmes which he can drop, he is allowed to drop them if necessary, but usually it is too much of a problem. He has to have a relationship with the community and that means some additional work, in some cases the addition of two or three people to the staff, but we feel that in the long run that would mean better income and a better position in the community for the private operator and the respect of the people in the community, and in fact, could assist him to defend himself against this horrible CBC that is supposed to be so much an enemy and a competitor of his.

THE CHAIRMAN : Just on that point Mr. Wilcox, I don't think anyone would accuse me of having failed to ask many questions of the private operators who have appeared before us, but I think you may be a bit unfair perhaps in this general picture of community programmes on private stations. When talking of an operation such as this, you will be bound to be able to pick out examples like the one you mentioned of the station operator who dropped his programme because he was criticized about some talent



show, and someone else who decided for some reason which we cannot go into here, that he will drop a programme after 9 performances when it could have gone on longer, but the fact is -- and we have heard this right across the country -- and have received a fairly extensive amount of evidence as to the number of private stations they possess, and this has come not only from the private stations themselves, quite properly, but also from all kinds of organizations who say they have in fact enjoyed the services of private stations.

MR. WILCOX: Well sir, to get the true picture, ---

THE CHAIRMAN : They may have been asked to do it of course, ---

MR. WILCOX: Then in some instances they are pressed to do it.

THE CHAIRMAN : Exactly but, nevertheless we have had cases of people like the Salvation Army or the local Community Chest and various other public service organizations, in community after community, who were prepared to come and say this - and I don't think they would say something that was false in such volume, - that they got very valuable public service in communities. This has nothing to do with talent production or local originations or anything of that sort, but we have had quite a





picture of the value of community service on the private stations. In fact, do you disagree with that or have you really made a survey on this question?

MR. WILCOX : Well sir I have lived in four or five provinces in this country and I have worked in the industry for a number of years. I have got an idea of what the position is. I do not believe that airing spots for the Community Chest or for the appeals of the Salvation Army or any of those groups, is a sufficient service to justify the claim that we are community servants. This self-sustaining time by and large, on the private stations is what they claim to be their public service, but the private stations puts on the air, for example, what they consider to be public service time and when they have got to read a report before a Royal Commission, for example, --- the great number of spots and the value in terms of card rate of the station and so on, are quoted at great length. I worked for a private station while the Massey Commission was in progress and I know what the approach is. It wasn't such a bad private station either, as private stations go, but all the facts and figures etc. were drawn on a certain line to try to prove a certain thing, which I don't think they proved.

There is a far more dynamic function for the private station - so-called - in a community to get at the real pulse of the community, and not just



to do a service for the organizations - women's groups and so on, to give out announcements of teas and bake-sales etc. That is all very legitimate and true, the various charities deserve to get a certain amount of time on the air but this is not the pulse of the community.





It is not the life of the community; it is not what the people of the town are feeling or doing. This is not a method of finding talent and introducing it to the public. On a free basis or any other basis, this is a good thing. The richest private stations are not the ones that are the honourable exceptions. People who have big markets and who have great pools of money with which to buy ball clubs and newspapers, and so on, are not performing the functions set forth in the Act. These are the people who are putting up the money, in our opinion. We don't see the money change hands, for this kind of propaganda drive. They are destructive to the community.

MR. COYNE: If I may pursue it a little, the trouble that seems to face us -- and we are investigating this problem impartially -- is to try and determine behind gross generalizations what the pros and cons of the situation are. You and others have spoken about a handful of honourable exceptions -- in what terms I can understand, if you are specifically complaining about a lack of sufficient employment of local talent, and there is a handful of local exceptions -- the rest are all bad and there is a handful of local exceptions -- but taking the Chairman's point that one function of these stations is to perform a local or community service in the sense of serving organizations in the community, publicizing them, if you like,



contributing time and effort to their success as, for example, in Edmonton where the Edmonton Symphony Orchestra said they would not have survived without the particular support this private station had given them. We have had extensive evidence in this respect and evidence that is not merely a statement or record from private stations, but evidence from a tremendous range of community groups many of whom say, "We like the CBC but we don't want you to do anything to upset the community or local service we get from the private broadcasting stations." It would not be fair on the evidence we have had to say that in that sphere there was a mere handful of honourable exceptions. In point of fact, the evidence, in so far as there is evidence in this sphere, would seem to be the other way. I put it to you that in the case of this Edmonton Symphony Orchestra this was a very worthwhile piece of community or local service. Now, let us try and get away from these sort of broad generalizations, that these people are all dirty dogs with a few honourable exceptions, if what you are really complaining about is some specific aspect of their activity, namely, that they don't put on enough originated live shows. There is one other point of complaint we have had, and that is in the realm of advertising, and people have said they don't like so much advertising on the private stations. I put this to you: surely, advertising is a matter



of regulation, and if the regulations are not being observed, that is a point of complaint against CBC rather than against the private stations. If you really analyse this situation in specific terms, are your criticisms specific criticisms -- really directed primarily to the fact that they do not employ sufficient local talent in live original productions, and to that point alone?

MR. WILCOX: No, sir, it is not to that point or to that point alone. In point of fact, I find even upon thinking this morning about whether possible income may come to artists -- and I haven't said anything about the kind of salaries or requirements or conditions that exist ---

MR. COYNE: No, no.

MR. WILCOX: --- or comparing those things with their income, and I haven't approached it that way, nor do I think of it in those terms. In my opinion a private station could do this job in the kind of terms I have been discussing extremely well without spending a nickel for local talent. You suggested that if there is too much advertising, and regulations are being broken, it is the responsibility of the CBC and not of the private stations, which I think is incorrect. I believe the private stations have a responsibility to know the regulations, which are not altogether complicated, and to follow them. I know of a number of examples of private stations breaking regulations; for instance, on the installation of the present Governor General,





the CBC broadcast a programme from Parliament Hill. This programme was available to all stations in Canada, and it carried a description of the event and the speech of the Governor General and of the Prime Minister, etc.. There is a regulation which is very well known in the industry that you are not allowed to record material which belongs to the CBC without permission; and it is available if you want to carry it live. A station had something else it wanted to broadcast while that was on, so they recorded the thing on tape and clipped out clips from Mr. Massey's speech and from the Prime Minister's speech, and no credit was given to the CBC, and they put it on a brewer's news round-up type of programme without any credit to anyone. This was a deliberate evasion of the regulations. When they were told about this, I happen to know that a phone call was made to the station telling them that was an evasion of the regulations and the news editor who had been responsible for the programme said, "I am sorry; I didn't realize that. It won't happen again." I think they are responsible to know what the regulations are.

MR. COYNE: You could have your opinion and I can have mine, but in the specific instance you give, if this was a matter of national service that all the people of Canada should have received, then surely the organization responsible for national service should have made some regulation to direct that station



to carry it?

MR. WILCOX: Two stations in the area carried it, and the third station stole it for later use on a commercial programme.

MR. COYNE: All right.

MR. WILCOX: The national service saw to it that it was carried in the locality I am talking about. It was carried over the CBC station and another private station at the same time. The other private station didn't say, "Well, let them listen to CBO . . ." -- now I have identified the city.

MR. COYNE: Aren't you really, in this sphere, on the horns of a dilemma? If you want to have purely publicly owned stations, then that is one thing; if you have a mixed system in which you have publicly owned systems, plus commercial stations, what sort of position are these fellows placed in? They are admittedly and by design commercially operated stations, and how can you at one time admit that there should be such things as a commercially operated station, and then suggest that he is not doing his job because he is operating a commercial station?

MR. WILCOX: I didn't say that.

MR. COYNE: No, I am putting this to you: isn't this the dilemma that the system is faced with?

MR. WILCOX: You ask what kind of position the commercial operators are in, and I





suggest the CBC or somebody should make available to the Commission the annual statements that these people make; let us see what their income tax statements show. Let us find out.

THE CHAIRMAN: Well, we have that.

MR. WILCOX: I am not against a man making money. I think he should make a decent return for his dollar. He has an investment and is performing more or less a service, and for this he deserves to get an income, but it seems to me that the Canadian public in general has had this line abused by propaganda, a continued systematic propaganda job using this word "private" a great deal about private stations to show that they are a struggling group of people who are being victimized by CBC and who are doing just the grandest job in the world.

MR. COYNE: Well, everybody likes to put on a crying turn when they are talking about their own interests.

MR. WILCOX: We didn't have the facilities to find out whether these people followed the Massey Commission. The evidence is that they have insulted the Commission and insulted the report when it came out. They haven't shown any signs we have been able to detect of really changing anything. This phrase "a few honourable exceptions" comes from the Massey Commission's report. What they found the private stations doing was not what they considered they should. I hope



this Commission is making a detailed survey of what private stations are doing, but the basis on which the judgment should be made, of whether they are or not, is certainly not the kind of surveys we have seen. The question is, have they got a real interest in the life stream of their community? Are they really reflecting, or are they going out to find these things, or are they sitting back with a girl earning \$110 a month to write commercial copy, getting a list of little flashes prepared by an agency on behalf of the Red Feather campaign and shoving them into the schedule? Are they writing to everybody with a spot and saying, "The Fowler Commission is now sitting and they would like evidence that we give you good service". I don't know whether it was said but the people are bound to feel, "If we are going to keep getting service from this station we have to say they are a good bunch of boys". An independent survey is the only thing, and the basis of the question should be, "Do the private operators individually, not as a group . . ." -- as far as I am concerned, as an entity, the only entity that exists is this one and that one -- not a group at all. They are not part of the system as a group. They are part of the system as individual stations.

MR. COYNE: Although, a good many of your criticisms are generalizations.

MR. WILCOX: Yes, generalizations over



a great number of them, because a number of individuals think this. But, how many private stations -- I think the survey should show how many private stations employ a producer; how many private stations employ a writer for any other purpose than the writing of commercials, on a regular basis? Very, very few indeed. It cannot be shown -- they cry that the limitations of competition are hurting them, but they probably get a higher percentage return than any other business in the country.

MR. COYNE: But, surely, these matters -- admitting the general validity of everything you say -- surely they are directed to quite different propositions. In the first place, it may be that as a result of a survey or result of opinions all these stations could be nationalized; now, that is one way to ensure some sort of result -- certainly a different result from what arises out of a lot of individuals operating on their own. Or, secondly, it may be an argument in favour of laying down pages and pages of detailed regulations including a regulation that every private station shall hire a producer and every private station shall do this, that and the other. It may be that if you lay down these regulations you won't find any private individuals prepared to operate stations. Surely, you can't set these people up in commercial business and then go around and say, "You should do this, that and the other", unless you lay down





regulations which it is part of their business to obey.

MR. WILCOX: Yes, I would say the Board of Directors should make a regulation about the amount of live Canadian production that should be done on any station -- a minimum amount. Whatever reasonable minimum the Board suggests, it is going to be a great deal more time than the average private radio station is now producing. But, something should be done by regulation. I am not here to advocate taking over stations. I would like to clear one point: this union has not organized any private stations, nor are we interested in organizing any private stations. We have no axe to grind. On this private station point we are speaking purely in terms of what we think is public interest, what they have done with the medium in which we earn our living, and in which we have an interest, and for which we have a very high respect, and we don't see that kind of respect coming from the private stations in this country.

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MR. COYNE: May I just interject this, Mr. Chairman, I am just suggesting this to you: it would be very helpful to this Commission for someone to suggest some specific way in which to regulate, if you like, some specific way in which Canadian programming could be increased, if you like, valuable Canadian programming; that is, valuable to the listeners in the community or what have you.

MR. WILCOX: In specific terms, the Board of Governors passed a regulation once specifying the amount of time that should be devoted by each private station to live Canadian production. Unfortunately, it seems to me that it came at a bad time. It seems that not enough public agencies, and not enough public groups were aware of the issue just as it arose. All the comment that arose as a result was against this regulation and it came from people with an interest in the industry, interested in protecting their profits, and the result of this was that the regulation was withdrawn. I don't know whether it was actually put on the books. Certainly it was never put into effect.

MR. COYNE: From that I would draw this inference -- the CBC who is charged with regulating broadcasting, in the public interest, introduced this regulation and then dropped it because they, in their wisdom, came to the conclusion it would not work -- would not work in the overall sense.





MR. WILCOX: I think they more or less solicited the opinion of the public on this thing. I think they got to a point where they felt the regulation was justified and proper in terms of what had been recommended by the Massey Commission, and at the time opinion was against it. I know labour across the country was against it. They did not make any representation, and as a result it was drafted by the Board in its wisdom. I think they thought it was a good thing.

THE CHAIRMAN: All you are saying, therefore, is that CBC has to take account of public opinion and can, perhaps, lead public opinion but cannot get too far ahead of public opinion?

MR. WILCOX: But in that case the public was hurt.

MR. COYNE: Isn't it true, to ensure adequate programmes from Canadian sources is an extremely difficult problem to solve and cannot be solved by any simple suggestion that we should have more Canadian programmes? That it is a good suggestion I am sure everybody will agree.

MR. WILCOX: There is another specific suggestion I would like to make, sir, and I think the basis is there in the Act for this. It was somewhat suggested by something Mr. LeRoy said yesterday although it is our own opinion carefully considered; that the Board of Governors of the CBC is, in fact, responsible for broadcasting



in the country to Parliament and the country at large, we do not hear an annual report from the Board of Governors on broadcasting. We hear an annual report on the CBC operation. There is an incidental mention in it of certain figures about private stations but this is by no means a report on broadcasting in this country. Our high-powered stations have a lot of money to spend on salesmen instead of production and are selling to their communities by repetition and jingles, and by every other possible means, with the idea they are doing something that is good for you getting you to switch to another type of tooth-paste -- by repetition and by the stories that are released to the press they indicate the CBC is a bad thing and I think the public deserves to know what the real picture is. That is the one thing we will have to find out.

THE CHAIRMAN: There is something specific in Section 32(2) that the Corporation shall each year review the activities of all private stations and make suggestions and recommendations in regard to the workings and so on. We will have to find out if that is being done.

MR. WILCOX: Certainly it is our belief it is not being done, and if there was an annual report there would be specific points we could bring up in the House. There would be no point in bringing up general remarks about the last five years without specific dates and places to prove the thing. The CBC



is in a position to do this thing if they had the money. I am not criticizing the Corporation for not having the money, and I know to make these surveys it would tie up a considerable amount of brain power and money available to the CBC. There just isn't enough. No public body at all, including this Union, should be in a position where we are in doubt whether private radio stations in this country are doing a good job. I think it would be highly salutary. There is no doubt that the Aird Commission did a good job in showing them up; in fact, the picture was so bad that many of them were afraid they would not be allowed to exist. Certainly the gentle suggestions which were made by the Massey Commission were not enough. I think, if a survey were made again, it would show they have not lived up to that.

THE CHAIRMAN: Suppose we leave it at that. We are attempting, and how successful it will be I do not know, but we are attempting to make a survey on the subject of performance -- of programme performance in particular -- as against private and public stations in Canada, what and the result of that survey will be we don't yet know because we haven't had it, but we will try and find out some of the things you have mentioned. I think you started to say at the outset you were making a generalized statement about performance, and on the other hand we have questions we want to put to you.





MR. WILCOX: I would like to ask one question -- is this survey being made by the Commission on an actual audition basis of the stations or a basis of their reports on trends?

THE CHAIRMAN: I am not certain to what extent it can be done, but there will be a survey which will be done by an independent body rather than any of the interested agencies, either public or private. Will you go on with your other points now?

MR. WILCOX: We suggest that the single station policy in television should be unchanged for the time being, recognizing the value if we were to have more television and also recognizing the limitations.

THE CHAIRMAN: Just to clear that rather quickly -- is your limitation merely as to a cost limitation, or would you dissent from the opinion it would be a good thing to have alternative station viewing?

MR. WILCOX: We should have more stations, more private and public stations, and our reason for saying the policy should continue is that we feel that any station, CBC or private, which would offer competition on this basis, might very well fail and certainly the standard on the original station would have to come down to compete. We have suggested that the Board of Governors should remain unchanged, that is what we interjected earlier, and that is the same representation



as various groups in Canada, and, frankly, we are not too sure. It is extremely difficult in this country to establish what the status of the Board of Government of the CBC should be. We feel no one can give any guarantee that would be better than the present. Certainly at present we have nothing to say of an unhappy nature about the Board of Governors except a better regulation of private stations. We would like to see a better department set up to look after regulations, but that has been mentioned to you before. You are bound to get some kind of gentlemen's agreement between the people in the industry who operate this dual position, if there is such a thing, which is at the moment also involved in regulating the private stations or so closely involved with the people regulating the private stations, working with them from day to day, the regulations are not enforced with sufficient energy. In point of fact, a large organization like the CBC with five thousand people may already be operating a department interested in that thing and are too bound up in their job of servicing the agencies and sponsors to take on the job of policing the people that are doing this type of work.

COMMISSIONER STEWART: Do you think a regulating body within the CBC could do any better job? It has been asserted before us that the CBC are breaking regulations. If





that is actually the truth would a department within the CBC fill the role?

MR. WILCOX: I think it would, sir. Under existing conditions I think somebody is going to break a regulation, feeling the regulation is outdated. The board, no matter what it might be, the board is no longer interested, perhaps by tacit agreement or by accident, and the regulations will be broken. I don't think there is anything to say the CBC in its operation is drifting away from what was envisaged in the Act. I think where you have an efficient manager of a CBC station, the CBC will get around to straightening that out.

THE CHAIRMAN: But you think it might be better straightened out if the department were responsible to the Board of Governors rather than to the operators of the CBC itself?

MR. WILCOX: Yes, sir. We recommend that private operators should not be allowed to make brave claims as to what they would do if given networks, television stations, freedom from "domination". Their claims are mockery. They have had networks, and they have given us quiz-gimmicks and giveaways. So far as we know they have never been refused permission when they made proper application for a network to the governing authority. They have produced few programmes acceptable to the national service.

"Private" operators have gained considerable power in the national broadcasting



system. They have become extremely wealthy. We consider them a threat to a fine free institution. We urge your Commission to recommend against their gaining any more power or position than they now hold.

All of the above is respectfully submitted.

There is one other general thing I would like to comment on, sir, and that is the matter of film on television. I am not very expert on this question. We feel there is something that should be done about film in TV. Apparently, there is some doubt in this country as to who has the authority to use film and who is responsible for encouraging the production of film and that sort of thing. It must be having a bad effect on television service. It seems obvious to us the CBC is going to be the greater users of the industry, perhaps even greater than the theatre. Films are absolutely essential to the operation of the CBC network and I would like to suggest to the Commission to check into the existing facilities of film material.

COMMISSIONER STEWART: You are making no specific recommendation to the National Film Board or anything like that?

MR. WILCOX: We feel the CBC has to have much and active production of films. It must not be placed in a position where anybody else can dictate to them. They should run the television service which is a great consumer of film -- the greatest in the country probably --



and they should have control of their own business in relation to that product.

THE CHAIRMAN: Does that complete your presentation, Mr. Wilcox?

MR. WILCOX: I think that is all I have to say at the moment. Thank you, sir.

THE CHAIRMAN: I am afraid I am going to have to stop for a few minutes; I am so cold I will just have to walk around a bit.

---Short recess.





THE CHAIRMAN: Well, Mr. Coyne, as part of the community service of private stations, the field is open.

MR. COYNE: I think most of the points I had in mind were covered by Mr. Wilcox in the course of his presentation but there are one or two points on which I would like to ask a few questions. On the bottom of page 6, Mr. Wilcox, you say:

"The CBC, we suggest, is responsible to protect the national system against unfounded criticism and published half-truths and misrepresentation through an energetic job of public relations and pressrelations."

You have touched on this point in your outline but what I would really like to ask you is a fairly general question as to the extent to which the CBC as a publicly-owned body can legitimately enter into controversy, public controversy as to policy? The Chairman yesterday made the comparison between a public-owned corporation, a civil service department and, of course, traditionally the civil service does not enter into public controversy, it is up to the appropriate minister to defend the policy. I wonder if you could explain a little on any ideas you have in that field?

MR. WILCOX: Well, first of all, wherever we go we hear the phrase "government system" or "government operated radio system", and we challenge it because we do not consider it to be that, we do



not consider it to have any relation in principle to the civil service. First of all, we could not work with them if it was a civil service organization so we resist on those grounds; for reasons of public interest we consider it was created to fulfil a need, it was created with as many guarantees as are practically possible of non-interference from the government in setting policies of cost, programme content and so on. I also suggest it has been highly successful in having resisted such pressures if any such pressures have been applied.





It is a responsibility to exist, I suggest; at the time I took my formal training to enter this industry as an employee, I was warned by a friend of mine, who was a friend as it happens, of a fairly well-placed official in the CBC, and who had his pulse on the position, that it might be a dangerous thing to aim at a career which was going to depend on the existence of the CBC because it might disappear.

Now I suggest that there is a value in creating a public body like this, to carry on this public function - and there is a value of seeing to it that at least so far as the honest facts of the case are concerned, it doesn't go down to defeat for want of the Canadian public knowing all the facts. I don't suggest that high powered press relations men and public relations people should be brought in to create and disseminate musical jingles and that sort of thing, to try and din it into the public's head that it is a good thing, but the facts are the basis on which the law is based, the facts of the technical operation of the system and the basis of the organization of the system and the facts of the continuing operations of the system - both CBC and private stations - should be publicised by the corporation.

I believe the Massey Commission did recommend something in this matter which impressed



us, and impressed a number of friends of the CBC. I think this commission would know that the organizations which, generally speaking, are friendly to the presently existing basis of the national system, have been critical of the CBC almost unanimously on the point that it is always on the defensive and that it does not enforce its regulations, it does not take its position and stand or fall on the legitimate position which it has in the public eye.

We find ourselves on the defensive in discussions. You get to a party and you may mention that you have some connection with the CBC, either as an employee or as a union officer or what have you, and an uninformed individual will buttonhole you and he will either give you a great blast about what the unions are doing or are not doing, or he will give you a blast on the CBC being a bad thing, and with equal emotion.

When in fact this happens, and it happens very often, I am surprised. It seems to be happening even more often now than it used to, but if you can tell a person, you can gradually build up the case, and it is all new to him. He is very surprised. Some of the most apparently bigoted individuals operating out of ignorance, when they know the facts of the case, say "Well, this



is it - this is the answer -- I didn't realize that this and this and this was involved, or that these were the reasons or that public bodies coming before the Royal Commission have in fact insisted in some cases that this was the Canadian way of doing this job". The corporation has perhaps done a good job within budget limitations and that sort of thing, but goodness knows what kind of job they might have done had they had the money, but I don't think that the size of staff in the P and I department -- the press and information department - is big enough. I don't think that enough talks are given about this very important Canadian subject of the CBC by outsiders. I don't think there is enough debate about it on the CBC networks, which would be carried from private stations and which would represent all sides of the case.

We feel that if the facts are made public and discussed publicly, - that they will stand on their own merits.

THE CHAIRMAN : But your idea is mainly on the factual side rather than by declaration of policy, other than interpretation of whatever policy has been laid down. I think the difficulty in this case is not so much the problem of money as it is a problem that our system requires a broadcasting policy to be laid down by





government - by parliament. Even if you are not, as the CBC is not, a civil service in the strict sense of the rules applicable to the defence of policy by civil servants, it still is a problem in that parliament is responsible to the population for the operation, and the CBC cannot start going out and promoting a new policy - or so they have thought - and it becomes a very shadowy line that you have between the two particular activities. Now on the question of insecurity of existence, I would think that your members at least should take some comfort from the terms of the order in council which says "broadcasting distribution of Canadian programmes by public agency shall continue to be a central feature of the Canadian broadcasting policy". At least this gets away from some of the insecurity of enterprise that you mentioned earlier.

MR. WILCOX: Well putting that interpretation that you have put on the situation, I can see certain applications for it; for instance we would like to hear, publicly, what the most highly-placed and most experienced officers of the corporation have to say about their personal opinion on where the system should go - but we recognize the impropriety of their doing so.

We think that the corporation has to ask for more money and so on but we were a little put out



when we found that they were just coming in and saying "this is what we are doing, this what it will cost, if the commission wishes to recommend anything different - greater or less - this up to the commission". They made no request or any recommendations for more money. This may be quite proper in terms of setting new policies, and there is a great deal to do on the subject of new policies, whatever these may be, and quite properly so. But, having set these policies, having placed in the hands of the board of governors of the CBC and in the hands of parliament, any amendments and anything that comes from the report of the Royal commission, the Massey Commission and any other commission, the board has in its hands the frame of reference, or in fact, the terms of reference in accordance with which it is expected to act.

I would suggest it is their responsibility then to point out to the people what these terms of reference are. I should think that it should be pointed out that we have this "frame of reference" and that we cannot have private networks in competition with national networks, or that it is very unlikely indeed that anybody could economically create such a network, etc. etc. but I don't think they should be going to the public, demanding greater and greater radio





services to be created -- I think the labour unions the agriculturists, etc. are the proper people to come here and say that kind of thing.

However, once the terms of reference have been prepared, then I think the responsibility devolves upon the CBC at least to continue to exist within this frame, and not to be defeated for want of knowledge of the true of story being told and, if necessary, repeated.

MR. COYNE: To come to another point, which is perhaps a small point in your overall submission, on page 9, paragraph 4, you say "It should protect the Canadian market against imported and preserved performances from abroad - specifically it should place a price differential on station time for Canadian programmes as compared with American programmes, to encourage sponsors to buy Canadian vehicles for their advertising."

When you speak of a price differential on station time for Canadian broadcasting against American programmes, are you speaking only of films, or are you speaking for example of live Canadian programmes?

MR. WILCOX : Commercial programmes, yes. Any commercial programme imported into Canada and placed on the network, we feel should cost more for station time than a Canadian produced programme, in terms of station rates, but not



having anything to do with production costs.

MR. COYNE : Well I put this to you.

The question is based on some doubt as to whether, under present circumstances, this would have the result that you desire, and I will put it to you in this way. We are told that at the moment Canadian sponsors can only be persuaded to pay a portion of the cost of producing Canadian programmes. Presumably, the CBC is getting everything the market will bear in the sense of getting as much out of the sponsor as he is able to pay or prepared to pay. To take a specific example of the programming, let us say one that cost \$10,000 programme-wise and the time rates come to \$2,000. The sponsor in that illustration may be paying \$5,000 towards the cost of production and \$2,000 towards the cost of the time. Now, that is the most money he can pay and if it is not, he should be required to pay more.

However, if this is in fact the most money he can pay, how are you going to have any effect by making some change in the time rates? He is not paying the full cost anyway, and the time rates, if I am correct, are a relatively small item in the total cost of putting a substantial show on the network. I wonder if you could expand on your views on that?

MR. WILCOX : Certainly in terms of the present economy of the system, it obviously



wouldn't have very much effect.

THE CHAIRMAN : But you can't do this by transfer - you would have a bigger debit on your programme account and a larger income for your time ---

MR. WILCOX : And for the American sponsor it would be the other way around. However, it wouldn't really make anything but a book-keeping difference, although it might have a value, even if it was only a book-keeping difference, to reinforce or stress to the sponsor and to the public the fact that we were interested in maintaining the sponsorship of Canadian material. That is not a very considerable point however, I am afraid.

THE CHAIRMAN: No.

MR. COMMISSIONER STEWART: Well - while we are on that subject you don't find any inconsistency between the point you are advocating in paragraph 4 and your advocacy in point 8 -- which is, both with respect to import and export ?

MR. WILCOX : At the moment my understanding is that there is a tariff on the export of our stuff to the United States. There is no tariff on incoming material from the United States. I believe Mr. Le Roy discussed this question and is more competent to discuss it than I am. I don't see that it is necessarily in conflict, that there is necessarily a conflict between





the two points. The active promotion of the sale of Canadian programmes abroad would seem to be - to us - a useful effort in terms of the public interest.

THE CHAIRMAN : I have only one point Mr. Wilcox, and that is, if we put up a protective device against the importation of American films, it may well be, as there is in many other tariff areas, a tendency to have the Americans put up added obstacles to our exports. Therefore maybe you cannot have both.



MR. WILCOX: Well, it may be necessary to accomplish this by other means; that is to say, by tightening the ties between international unions and unions of Canada and the United States. I think Mr. LeRoy made the point yesterday that American performers consider Canada as a portion of the United States as far as their agreements are concerned in the United States. They put no extra charge for their service on something that is going to be aired in both countries. They consider Canada an inconsiderable market for their talents, so they let it go at that. It may be necessary for us to get them to put a premium on their services for anything coming to Canada.

THE CHAIRMAN: That would be a new kind of tariff.

MR. WILCOX: It is a way the unions have, and they may have to develop that if there isn't any other way to protect their brothers in Canada. The performer in the United States is getting no particular benefit by his material being used here now, and he may feel very sympathetic, on a purely fraternal basis, and quite agreeable to putting an additional over-riding amount on his services for anything coming up here. Occasionally this will mean new income to him, but it certainly won't hurt his position any.

MR. COYNE: Turning to Section C dealing with national requirements, at the bottom of page 12 you say:





"Of the two basic methods most often suggested, this Union strongly favours the long-term statutory grant, based on the number of sets in use, and combined with some revenue from advertisers."

Have you any views on the present excise tax? I don't mean as a basis for raising all the revenue that the CBC needs, but purely as a device to raise some revenues which may be at a given level, and some other way out of general revenue?

MR. WILCOX: The excise tax has always been with us. It provided what looked like a suitable figure as an index for the growth of the television service for a certain period of time. It is an arguable point. I believe the Chairman suggested yesterday that price may not be a factor with people getting radio and television sets. In terms of more dissemination of ideas and getting an audience, there may be an argument for removing the excise tax. On the other hand, in the practical situation our industry faces now it may not be impossible to suggest the government put out a certain amount of revenue, and tapping other sources.

MR. COYNE: I understand really your union has no specific objection to the present excise tax as a method of raising some money in this field?

MR. WILCOX: No.

MR. COYNE: Just one other question which



arises on page 22 in connection local shows;  
you say:

"The local show, produced with the talent at hand does not have to compete in slickness or quality with network material. It has an immediate appeal to its audience. It is enough that it is a local programme. It is theirs."

In those general terms, is that really a very realistic view to take of local shows in the general sense that they automatically attract their own audience, even if, for example, the same audience can hear the Toronto Symphony Orchestra over the CBC at the same time, and possibly the Philadelphia orchestra over some private station by records?

MR. WILCOX: This is an analogy. We were discussing last night among ourselves the question of whether or not we were going to provide some deliberate entertainment for our delegates at our next convention, such as bus tours through the Laurentians and places of interest, and one of our delegates made the important point that the best fun we had and the best opportunity we had last year to get together with each other was when we got around a battered up old piano in the evening down in the basement of the hotel and created our own fun. When we were writing this brief we went back quite a few years to a book called Radio's Second Chance, in which a description



of one of this kind of situation came about. A station in the United States in a fairly large town went in with all the usual high pressure methods to attempt to do business in an area against another well established station doing the same kind of thing, and the station went broke. The next management that came in looked at the situation and said, "Obviously, we cannot compete on that kind of basis. We have to create something else." So, they went into the community itself and they started. They took over a majority of the available audience against that slick network operation on the other station.

MR. COYNE: I am sure you can think of examples, and the point is simply this: you have stated it in very broad terms, but surely as a practical matter in a city where a radio listener has a choice of three stations to listen to, or even less than that, there has to be something more to a local show than merely that it is local; there has to be some standard.

MR. WILCOX: Oh yes, there has to be a show, but it can be a very elementary show. I was a participant once in a programme called School of the Air. It wasn't a school at all. We went into a local theatre on Saturday morning in a fairly good-sized community where there were two stations -- Dominion network and Trans-Canada -- and we went into that place with a pop pianist who could improvise anything and the children arrived there in droves, with their parents in





some cases. Before the local movie started we had a half-hour show in which people were chosen from the audience. Some of them could sing and some could not, but we had a sponsor for that, and I believe very likely this sponsor is still sponsoring it; for years and years a local bakery sponsored that programme -- paid a half hour of station time to put that show on. And he got more reaction and more interest and more audience out of a very miserable show. If you attempted to put it on a network you would be laughed at, but in that town these were our kids and our station, and we liked it, and, believe me, it was a corny proposition.

MR. COYNE: You can multiply these examples, but I would put this to you, that the reason for its appeal was not only that it was local, although that was certainly a large element, but it was the show -- a successful show.

MR. WILCOX: It was a successful radio show as well as a successful participation show. Had we brought the children in from all over and done a Canada Packers type of sponsored show, we would not have had that local reaction. In point of fact, under those circumstances, I would have put the School of the Air against a better show and taken half the audience.

THE CHAIRMAN: In that community?

MR. WILCOX: In that town, yes. In another town they would not look at it, but it was their own show and their own children, and we made money, which



is more important, perhaps, but it can be done; that is our point.

COMMISSIONER STEWART: Point No. 5 in your section on recommendations: "Advertisers should not be allowed to influence programme content or scheduling". We discussed scheduling, but have you any instance of where sponsors have actually influenced the programme content?

MR. WILCOX: This is a hard one, sir.

COMMISSIONER STEWART: We discussed it at quite some length -- the question of scheduling.

MR. WILCOX: Yes. It is very hard to produce examples of this sort of thing. I am afraid I have to answer you with at least one generalization. As I mentioned earlier, with a group of 5,000 people in CBC there are many different kinds of minds and attitudes and different relationships -- almost different systems within the system, and the pressures between the groups are always in a state of play. Some people are in the business for what they can do. You will find a producer who is interested in how much money he can make and how many shows he can get on the air. He may be developing an agency job. Very few people come through the CBC's service with very different ideas about where they are going in life, and the agency or sponsor is interested in getting the kind of thing on the air which will interest the audience.

THE CHAIRMAN: If I could interrupt you, I think I may possibly direct you to the point here.





As far as the influencing of programme content is concerned, I can see that an advertiser influences it in the sense that he decides he wants a musical show or a variety show or a discussion show, and it is perfectly legitimate he should have some selection, but what I think the question is directed to is, once he has decided on a certain type of show, does he then attempt to interfere with the details of the programme?

MR. WILCOX: First of all sir, he attempts to get into the schedule that type of show in case it does not already exist. My understanding of the policy is that the Corporation tells him, "Here is a show which is available. This is what we consider meets our standard. If you want to attach your name to that, you are welcome to do so at this fee, otherwise we can't do business." That is the kind of thing we would like to see continued.

THE CHAIRMAN: But have you any instances in which the sponsor then tries to influence the show?

MR. WILCOX: Well, I heard of one, and I don't know quite enough specific detail to make it appear large as against this particular sponsor, but I do know this, that the available time on television for drama is limited. You can only just put on so much of it, whether a sponsor is paying part of it or not. A thing like the story of Joe Hill; some people think Joe Hill was a communist, but the people of the labour movement don't think so. They think he was one of the heroes of the labour movement. The people who



have money to sponsor television programmes, and so on, are not, by and large, interested in producing the life of Joe Hill on television. This one got on, and got on an unsponsored series, I suppose. Would it have gotten on if what-is-good-for-General Bluenose-is-good-for-the-country was sponsoring it? There is always a tendency, always a pressure to make it as palatable as possible, and in some cases as innocuous as possible. There are some people among our industry who go along with that and others who do not.

COMMISSIONER STEWART: Well, the question was asked of Mr. Dunton when he was first on the stand, and on behalf of CBC he said he would stand for no interference from a sponsor. We have asked the question of a number of private broadcasters throughout the country and we have had the same response, that they stand for no interference from a sponsor as to programme content.

MR. WILCOX: Well, sir, having worked in both areas, certainly it is my belief that the sponsor's attitude and desires get a great deal more sympathetic direction -- well, the man is in the business to make money, and it is obvious in that situation he is going to influence, and, in fact, a person who is employed in the CBC's commercial division and is interested in a commercial operation, he may be influenced. These tendencies will develop, and a producer will produce a



commercial series, and he will get to know the members of the agency and sponsor as well as he knows his own administration in the CBC.





COMMISSIONER STEWART: On the basis of what you have just said, that you have no specific complaint but you are skeptical, at least?

MR. WILCOX: I have no complaints at the moment that the present situation in television is a bad one as far as the CBC operations are concerned. I think the policy should be continued and should be policed.

COMMISSIONER STEWART: I have only one other question to ask you. Your recommendation No. 4(f) where you advocate the system of fines, I take it you feel there is too big a gap between the mild rebukes that CBC can give and the harshness of a cancellation of a licence, and that you feel there should be something intermediate which would bring about the desired result?

MR. WILCOX: That is correct. We feel there should be some weapon in the hands of the Corporation to take action that is not so strong as removing the licence and I think this would introduce a system where the regulations would, in fact, be better enforced.

COMMISSIONER STEWART: And this series of fines, I take it, would be of a nature that would not just resolve themselves into a licence for many further grounds?

MR. WILCOX: I would suggest the fines be scaled. I don't know of any examples where a private station has had its licence lifted. There may have been one. To apply a system



of fines, which is a disciplinary action, and would be a disciplinary action, is likely to produce blasts in the newspapers. You need an agency that will, in fact, take a stand and fulfill that function.

THE CHAIRMAN: Would you think, Mr. Wilcox, your suggestion might have two incidental advantages? One would be if we have to take someone into court the CBC would have to be thoroughly precise when writing out this regulation. In other words, shorten up your definition of your regulations. That is one, and the second would be in so far as a matter arousing an honest difference of opinion as to the applicability of a regulation, a certain set of facts, you would create an automatic system of appeal by way of prosecution for a summary conviction, presumably?

MR. WILCOX: It may have the healthy effect of bringing things out into the open. I have heard a group of people appearing before you complain that they have to submit certain things to the CBC before being broadcast -- commercial copy -- making claims for foods and drugs and that sort of thing comes through federal law and it must be seen before it goes on the air, and some of the things submitted to the CBC, I understand, would shock the Commission. There are things on file that private people have submitted. This is the sort of thing that would be open. I am





not saying every private station operator is a liar or is deliberately irresponsible as to his position, but they do the best they can and nobody knows what that is.

THE CHAIRMAN: There is one question I would like to ask on top of the others that have been asked, and that is this: on the question of building up stars, I am not precise as to what the question was; I have an uneasy feeling there may be a difference between using the public moneys to build up stars and having stars come up in the ordinary commercial field, as, for example, in the United States, which was your example?

MR. WILCOX: That is where all our stars go to be developed because nobody else is going to give them work here except the CBC.

THE CHAIRMAN: Taking the realm of sports, I would think there might be some case some time where you have been using some of my taxes to keep alive and make sure a lot of young Canadian boys play hockey. I am not sure I would like to see my taxes used to build up professional stars. I think there might be a distinction ---

MR. WILCOX: It depends what you are building. You may be building professional players for the Rough Riders or ---

THE CHAIRMAN: I would rather do that, certainly.

MR. WILCOX: We could use them. I see



there is a difficulty. This Corporation and this activity in Canada seems to have been approached like a Government agency -- a good grade operation. The fact is other people coming before you in the last couple of days, the artists and employees in the industry and the officers of the CBC and the people in the private stations, by and large -- the whole thing has created a new industry in this country. We have an entertainment industry in this country now. We have launched an effective union; we have launched effective groups of performers. There seems to be a suspicion in this country that nobody in this country has any talent, but that suspicion is being broken down. There are new theatres coming into the system; there are things like the Stratford Festival. There are musicians appearing, new performers. We are surprised every day by some new face on television who is terrific, and of whom nobody in the business ever heard of before but who suddenly is there. At the end of the show when my wife and I look at our television to find out who that person is, the credit goes by so fast that you do not know, and when that person goes home her mother says, "You were very good but your credit went by so fast nobody knows who you are." All the credits must be given, including the person who put on the show and carries the whole thing. That kind of thing could be improved. We are not asking CBC



to build up some individual performer but what could happen to get a star performer built up is the same kind of thing that happens in the States. The performer could be built up by his own agent for a private fee for his services on his way up if his earnings would allow him to pay for an agent, but the fees paid in this country for talent, employees and technicians in the business does not allow for that kind of objective.

THE CHAIRMAN: I know there have been very good things built up in the entertainment industry, but we don't have to build up the same kind of entertainment industry they have in the United States. Even from the point of view of the people who are working in this field, I suppose you build up your star and then the public is going to demand to see that star and instead of the opportunity being passed around to a great many people you are just going to have that one star time after time, week after week. It would be much better in the interests of the people you speak for if you did not have stars but more people engaged in successful entertainment shows.

MR. WILCOX: Well, sir, it is a problem. We had a very fine group of star quality performers in the series set up by Andrew Allen. This was a group that worked together as an entity, almost. They claimed it was a clique; it wasn't a clique, you had to have "it" to get in





or you didn't get in. Then there was Lucio Agostini; he was happy to go on working with whatever compensation he got out of what he created. The pressure was on. We lost some of those people to the United States. A fellow like John Drainie, whose name was not well known, who has contributed a great deal to the public of this country, and the public is left with the impression there was no such person.

THE CHAIRMAN: Even supposing that happens, I do not suppose we can ever stop the pull to the United States, with their enormous incomes paid to really super-stars for development. That is bound to happen, but when you look at the thing as an entertainment thing, or as an artistic thing in Canada, may we not have a better or a greater development? What we are really after, if we had a whole host of people coming up and if they want to go to the United States, fine, then we will get more. If you take the notion of studying the idea, this development might take on an entirely different pattern than we find south of the line, which may be good for them but is not good for us.

MR. WILCOX: The system is growing and a taste has already developed -- it is a champagne taste, unfortunately, in slickness and professionalism, and for the whole company. If you have a young fellow like Ron Harron around and he becomes known through



television and gets hold of some material and writes up some Canadian material into a review and goes on the stage, his name means something, and this creates theatre. The people that came up through CBC radio were a good framework on which to hang two or three theatres around Toronto who have come up and apparently had good success. It supplied a sustainer for a few of them, and he could pay as much as \$20,000 in a good year for their very top people. A few of them struggle working in their father's fruit stores, and doing occasional bits here and there. That is no longer good enough for the kind of thing the public in this country is obviously demanding. The Commission asks representatives who come here, is talent available? Yes, talent is available in a stream if you cut the stream off at the right place. The real type of pros gradually go away and we need those pros. We come in here and complain that the CBC producers are not allowing sufficient rehearsal time for people who are not quite pros in this great programme, and are not quite able to bring it off, and this creates a bad impression in the public eye, and even to the dismay of Canadians who do not like to think that that is what Canada is capable of.

THE CHAIRMAN: In our mind -- I was wondering if we might not have better success if we did not have that system -- the idea of super-stars scares me a little.

Thank you very much for your brief and we will consider it.





THE CHAIRMAN: The next brief we are to hear is that of the National Association of Broadcast Employees and Technicians.

SUBMISSION OF  
NATIONAL ASSOCIATION OF BROADCAST EM-  
PLOYEES AND TECHNICIANS

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Appearances:

E. B. Jolliffe, Q.C., Canadian General  
Counsel

David J. Trasker, Vice-President,  
Central and Western Canada

Ivan de Champlain, Vice-President,  
Eastern Canada

Adrien Gagnier, National Representative

T. J. O'Sullivan, National Representative

James Laurie, Vice-President

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MR. JOLLIFFE: Mr. Chairman, I will introduce the associates who are with me today: Mr. Ivan de Champlain of Quebec City, who is an international vice-president of this organization, representing Region No. 6, which is the extreme eastern part of Canada; next to him is Mr. James Laurie, of Vancouver, also a Vice-President of the organization, heading Region No. 7, which consists of Ontario and the provinces to the west of Ontario; and immediately behind me, Mr. Adrien Gagnier, regional director of Region 6, and Mr. David Trasker, formerly



vice-president, who is now an international representative, and beside him Mr. T. J. O'Sullivan, regional director.

THE CHAIRMAN: I think, Mr. Jolliffe, we will begin by marking this as Exhibit No. 216.

EXHIBIT NO. 216:      Brief of National Association  
                                 of Broadcast Employees and  
                                 Technicians.

THE CHAIRMAN: Will you go ahead and outline your brief?

MR. JOLLIFFE: I appreciate that our brief has been read and there are perhaps one or two preliminary explanations I should give you. The first is as to the nature of this organization. This organization is a trade union representing a large number of employees of the CBC and certain employees of certain private stations, so that it does business with both the CBC and a number of private stations. So far as the CBC itself is concerned we have bargained with the CBC for the past four years or more and the brief tells you about that, how the agreements were made. Actually there are three; the third agreement was completed recently.

Also, I think it is necessary for me to say, in view of the statement which was made to your Commission that the relations of this organization with the CBC are of a normal and businesslike character. It was reported in the press that in a brief presented to you on May 2nd, I believe, reference was made to the



CBC and its attitude or relationship with some of the unions. It was reported in the Journal on May 3rd that the brief of the CARTB said, among other things, that the CBC has at its command a group of people whose livelihood depends upon saying and doing nothing that would jeopardize the position of their employers' monopoly or the philosophical viewpoint it represents. It added that the CBC assures itself of final support from its employees and their organized labour generally by paying economically high rates.

Now, I mention this merely to state that nothing could be further from the truth. The fact is that in bargaining with the CBC we have as a trade union vigorously represented the interests of its membership. That is our duty, and our experience has been that the CBC management vigorously represents the interests of the Corporation, which is its duty. Indeed, the bargaining has at times been very, very prolonged, and acute bargaining went through the process of conciliation a little over a year ago and NABET members almost went out on strike before there was a settlement. In suggesting that CBC management coddle these unions or any other union or its employees is very far from the truth and it is a most misleading statement to make to your Commission. Nothing in this brief is expected to be anything in the nature of coddling, as the CARTB suggested, and indeed





there are a few criticisms which have been put forward so far as the CBC itself is concerned. Most of the major points in our representations turn on the financing of the CBC and its future economic security, and, secondly, on what is the proper place of privately owned stations within the national broadcasting system.

I should first of all like to make it absolutely clear that our financial suggestions are not put forward as complete or final answers. We are impressed by the constant changes in this industry and the rapidity with which it has grown up and has continued to grow in Canada. We therefore realize that what may be valid today may not necessarily have validity two or three years hence.

We are also impressed by the fact that whatever the original intention may have been, a system has developed in Canada which obviously calls for a partnership between public and private industry. It has been suggested that we have embarked upon a crusade against the private stations because they are privately owned. Now, that again is entirely wrong. As we attempted to make clear, we accept the incidence of private stations as a fact and none of our argument is against them. If it does, at times, proceed against them it is founded on no theory that they should be liquidated.

I do not propose to read our brief, but in summarizing it I will indulge in some



quotations and will, of course, welcome any elaborations or clarification you may feel are called for. I do not want to over-labour what we have to say, but it seems to me we have nothing to hide. We appreciate, as you pointed out this morning, that if the principle that broadcasts and distribution of Canadian programmes be public policy is to continue as the central theme of broadcasting policy, then that principle has perhaps been put beyond debate, but what is not in the debate is in behind that principle. This brief has been circulated widely throughout our organization and we have some fear that the ability to implement the principle effectively might divide the resolution even though it was endorsed in principle.

Then we also recognize, as I am sure everyone does, that subsidiary principles have gained recognition, namely that privately owned stations can perform a useful local or community service, and, secondly, that at times some of them at least should serve as outlets for the national network system. Those both seem to have gained recognition and I cannot tell you how best they can be applied. We are naturally most interested in the rapid development of television which has taken place and will take place. Now, our point of view in this connection is that we should attempt to get some perspective about television in Canada, about its history, about its future





and about its costs. It must be obvious, I think, that so many people are interested in radio and television that there is a great deal of discussion, and the impression ---

THE CHAIRMAN: There is no doubt about that.

MR. JOLLIFFE: And the impression arises from time to time that the CBC is always in hot water, and there must be something fundamentally wrong with the system that is so much discussed and criticized, and apparently almost always in hot water. Now, to put that in perspective we think it should be kept in mind that this is a medium which enters the homes of the people almost daily, if not daily, and, therefore, it is inevitable that there should be constant discussion and constant criticism.

It is also inevitable that there should be a lot of talk about costs; it is inevitable there should be a lot of talk about quality. Public funds may be spent to the tune of \$100 million a year on some other project, perhaps a string of radar stations across our unpopulated northern hinterlands and nobody talks much about it because they do not see them, but they see television every day and it is constantly under discussion. It may be unnecessary to say so, but we do feel it should be kept in mind that all this discussion and criticism, which is probably a healthy thing, does not necessarily mean that our



radio and television system is in a complete mess all the time.

Television production in this country has expanded more rapidly than in any other country in the world, with the possible exception of the United States. I think we were likened yesterday to Cyprus and Egypt by Professor Lower. It is a major economic power, let us face it, with sixteen million people we are a major nation and have built a major television service, which is a major achievement, in a very short period of time. That, I suggest, contributes to the perspective we ought to have about these matters, and some of them in relation to costs, as we tried to emphasize. If we were told that within a few years \$50 million or \$60 million will be needed to finance television service, and that \$30 million or \$40 million is already needed for that purpose, it sounds like a great deal of money. In order to gain a proper perspective we should, I suggest, recognize that the Canadian people have voluntarily chosen to make privately and independently an enormous investment in the field of radio and television facilities. As we have stated, if people are prepared to spend voluntarily much more than half a billion dollars in four years' time on the purchase of television receivers, it is not unreasonable to expect them to pay a much smaller sum over a four-year period in order to get a Canadian service.



By the same token, it may seem shocking to some people that as much as \$30,000 should be spent on one television programme, which, after all, as is pointed out, might appear only once and it cost \$30,000. Yet, in perspective, a television production for half an hour or an hour -- a \$30,000 expenditure would probably be an hour programme -- it may be shown only once but will be seen in all probability by an audience incomparable to any audience that ever entered any theatre in the world.

THE CHAIRMAN: I think the difficulty here is with the overall cost figures I have the individual cost figures. We had a brief last week, one of the French briefs, which was talking in the same kind of terms of \$30 million or \$40 million for the present cost of television, and they figured this out as being the equivalent of 4 cents a day for television receivers. If you went to anybody in Canada and said, "Are you willing to pay 4 cents a day for television receivers", it is all right, but if you go and ask a vote in Parliament for \$30 million everyone gulps. This is a problem, as it is in all kinds of other things. If you have any notions, any figures, which will sort of tie this thing down to the relationship of the individual himself, it would be a great help.

MR. JOLLIFFE: Yes, Mr. Chairman. Well, in that connection we believe that one of the merits of using a formula related to the





number of sets or the number of radio receivers, one of the merits of using such a formula, arbitrary though it may seem, is that it would help to clarify in the public mind the real cost for receiving a Canadian service.

THE CHAIRMAN: No, but the parliamentary vote in that case still has to be \$30 million.

MR. JOLLIFFE: Oh, yes, and it is necessary in order to consolidate and receive public support for such large expenditures of public funds, it is necessary to clarify and emphasize this matter of perspective and relate the cost to the home. If Canadians refuse to buy television receivers on the ground that it is not worth while, obviously there will be no excuse for using the tax department's money for a national service, but our point is that the public has registered its decision in this matter, because investment in television receivers is the clearest possible indication that they desire television service. It may be debatable whether they want any Canadian service, but we believe the majority do want it; that majority would not be satisfied with a service piped in from the United States so far as network programmes are concerned. I will go further, we believe our membership would be unanimous in this, that the great majority of Canadian people desire Canadian network programmes and also wish to see some American network programmes.

COMMISSIONER STEWART: We have had



both sides of it shown to us; I think it was in Winnipeg where we were told that because of the single station element and with the single station being CBC people refused to buy television sets. Again, in Regina, where there is a private station, they told us they refused to buy television sets because it was a private station, so we have both sides of the argument.





MR. JOLLIFFE: Yes. Well, my only answer to that would be that, in fact, those sets have been sold in large numbers in both cities, and that, I think, indicates the choice which has been made. When we are on the question of a formula, this brief was prepared before the CBC brief was presented on the basis of the information then available. It was our view for the next four or five years \$15 per television receiver and \$3 per radio home would be adequate for the cost of the service as envisaged by the CBC. These figures may be not accurate, but we don't think they are very far out. Perhaps some explanation is called for there. We do not like the CBC reference to the "television receiver household". I respectfully suggest the word "household" is a difficult one to deal with legally or otherwise. Further, it seems to us the proper relationship is to the number of sets owned rather than the number of households.

COMMISSIONER STEWART: Don't you think that is probably due to their experience with radio where at one time they had it on the sets and discovered there were four or five sets in the one house, and then one license for the whole thing was sufficient?

MR. JOLLIFFE: Yes, I think that may well be, however, in the case of television there is a much more costly installation. There are people in this room who own more than one television set, or use more than one, including myself, and



it seems to me that those who make that investment should be prepared to pay more for the service. In the case of radio, the investment is much smaller and it does not seem to be of very much importance whether it is attached to the set or the home, but radio is more widely used; most cars have radios; people carry radios to their office, and so on.

THE CHAIRMAN: That is only at this time of year.

MR. JOLLIFFE: Well, they take them to cottages, also, and I have yet to see a television set in a cottage in the wilds. However, I heard questions raised yesterday about the justifications for using a formula of that type. Why that formula? We suggest there is a social and economic basis for using such a formula; that is to say, the public expenditure would correspond to the public demand.

THE CHAIRMAN: I think it was my question that raised this, Mr. Jolliffe, yesterday. The point I was trying to make is that we want to get whatever financing yardstick we can, as precise as we can make it, having regard to the needs, and I was raising the question of 50,000 television homes or sets in Ottawa, with the system as it is now in existence in Ottawa and if by some wave of the hand you suddenly had 75,000 sets in Ottawa, the cost to CBC would not go up by 50 per cent.

MR. JOLLIFFE: I appreciate that.

THE CHAIRMAN: And I was only raising the question as to whether such a yardstick as the \$15



a set business may have been the only conceivable one you could get during the period when television was spreading across the country, but now we are up to a point of 80 per cent regional coverage, whether it is a valid yardstick or whether it is a good yardstick.

MR. JOLLIFFE: I think it is still a valid yardstick for this reason, Mr. Chairman, that the formula is arrived at in the first place in relation to what is called an "adequate" service; I think that term was used. It is true that if the number of television receivers in Ottawa were to be doubled overnight, the CBC's costs of providing an "adequate" service to those viewers will not double overnight, but surely, if people are prepared to spend twice as much money on their receivers, they are entitled to receive a superior service; not an "adequate" service, but a better service -- possibly a choice, about which we have heard so much. Our membership is in the main composed of technicians, who are interested in the growth of this industry, but, to be objective about it, our view is that certain people in Canadian cities should have a choice of an alternative television station if, as and when we can afford it. That is where this yardstick again becomes appropriate. If the people are prepared to have twice as many receivers, they can have a correspondingly better service, more stations, more choice, and perhaps better performers





and better programmes, because, after all, quality is something we have to keep in view.

THE CHAIRMAN: I must say I think you have given us a new point of view there; in other words, this may not be an exactly precise yardstick that you are raising, but it is not too bad in relation to the realities of the situation.

MR. JOLLIFFE: Yes, we think it has a social and economic justification, and it also has great merit that, in effect, the public themselves would be determining the amount of money to be allocated to this purpose. It would not be an arbitrary decision on the part of government or CBC management who might have dreamed up some ideas of expansion. It would depend on the public's own decision, and also, of course, on some factors that are not entirely within our control, such as the growth of our population and the bettering of the products.

THE CHAIRMAN: I suppose the one thing it does not take any account of is changes in the value of the dollar: you would have to change your \$15 tag.

MR. JOLLIFFE: Well, the argument proceeds on the assumption that the value of the dollar will not drastically change. We recognize that there has been a rapid expansion in television. Many of our members have experienced it in a practical way by long hours of overtime and a very hectic life since 1951, but we suggest that the policy with



respect to television be to expand it as quickly as possible until complete national coverage is a reality, and in that connection we are bound to say that we are not sympathetic with the people who want an alternative service in a big city before some of their fellow Canadians have got any service at all.

THE CHAIRMAN: Apart from that particular sort of clash between different regions, I was going to ask you on page 4 where you are talking about the expansion of -- "complete TV national coverage could be attained". I can't just put my eye on the phrase, but it was on page 4.

MR. JOLLIFFE: Yes, right at the foot of the page.

THE CHAIRMAN: Yes: "... extend it as rapidly as possible until complete national coverage is achieved." We are now up to 80 per cent coverage. We have looked at various charts and maps, and so forth. Having regard to the costs of this, is there not some point at which the physical size of the community is just not going to be able to justify on any kind of basis at all the provision of television service? I used the other day the example of Aklavik: there are quite a number of Canadians up there, but not many. Is this really a practical objective where you say "complete national coverage is achieved", at some point, if it is not 80 per cent, maybe it is 85 or 90 per cent, but at some point the cost





of providing service must be so enormous that you can't, as a practical matter, justify it for pockets of the population, however desirable, and, just to complete the question, is this something that is really unusual in a growing and developing country? We think roads are a good thing and schools and hospitals, but there are scattered areas in this country to which that kind of public service cannot be provided or has to be delayed.

MR. JOLLIFFE: Yes. Well, without trying to hit any percentage, I would say that actually the percentage of Canadians who live in very isolated places is now very small. The entire population of the Northwest Territories, I understand, is somewhat less than the population of Nepean Township. I do not suggest they can be reached 100 per cent, but with further technical developments it seems to us, probably, that whether by use of relays or otherwise the Corporation may be able to overcome the problem of isolated people.

THE CHAIRMAN: That was to be my next question. Since you are representing a group of technical people, my question is, as to whether we may not be at a point even now with our 80 per cent -- there will be remarkable changes not only in the retail type of operation but maybe even in the development of greater range broadcasts, greater range of reception by receiving sets, which would make an attempt to extend the existing 80 per cent to something which may be called complete



national coverage, which would now be a very expensive business indeed, but in the course of technological developments we might get it another way.

MR. JOLLIFFE: I don't want to be dogmatic about it, and I don't think any of our members would wish to be, because this is a young man's occupation, and within the memory of the youngest there have been revolutionary changes in this field, and they are continuing to take place. So, it may be possible, not today, but a year from now. I don't feel the problem of the small minority who cannot be economically reached is a really serious one.

THE CHAIRMAN: No, but it seems to me in this respect it is serious, that we are going to have to work out finances. We are now at 80 per cent coverage, and if that is as far as, practically, you can go, then you set up one set of calculations and figures for it. If the desirable or practicable percentage is 85 or 90, it comes to another set of calculations. What I am really trying to get at is, any assistance you can give us on this question of where we stand in our development of television coverage and what is the policy to be -- should we stop now and deal with it as a more or less mature system, or should we try to calculate for some expansion?

MR. JOLLIFFE: There has been some expansion since this brief was prepared five months ago. I don't think it was 80 per cent and I



don't think this organization considers that adequate coverage has yet been achieved, although we may be getting near it.

THE CHAIRMAN: It is that precise point I wanted any help on that you can give us.

MR. JOLLIFFE: Since this brief was prepared, new television stations have gone on the air.

THE CHAIRMAN: Mr. Jolliffe, I didn't realize it was after 1 o'clock.

---Adjourned at 1.05 to 2.30 p.m.





---Upon resuming at 2.30 p.m.

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THE CHAIRMAN: Mr. Jolliffe, am I right, you got along with your presentation and you have some more to give us?

MR. JOLLIFFE: Yes, Mr. Chairman, before adjournment there was reference to the meaning of the term "national coverage". National coverage, I ought to have said -- that is national coverage may have reached eighty per cent of one level, and it may be true in one sense that degree of coverage has been achieved, but there is another sense in which it is not correct. It cannot be said to be wholly correct until stations from coast to coast are on the national network. In other words, what we are suggesting is when great national events can be witnesses simultaneously in every province we will have what might be called national coverage, but that is not entirely true when British Columbia and Nova Scotia have to rely on films that have to be flown there.

THE CHAIRMAN: That is in process now. I agree it is not a final figure, but we are moving through a period where we are getting some coverage and extensive coverage.

MR. JOLLIFFE: We would not wish to see any delay or abandonment of the policy which has already been undertaken. I should like to add, also, in connection with points



made on pages 4 and 5, that members of this organization feel very strongly that if the money is available and the physical facilities are available, the talent is available to reach this with increasing success. This has not been the point of view of the performers. Our members are not performers; they are in the main technicians who work frequently with performers, and that point is one I wish to make here, now, on their behalf.

They have no doubt there is considerable talent available. They have worked closely with performers, watched them develop, seen some of their failures and seen some of their successes, and there is no doubt in their minds we have a great undeveloped potentiality, so we are bound to associate ourselves with the views of the chairman.

THE CHAIRMAN: I think, rather, the main question that has been raised in the field is not on the adequacy of the performers, but on the adequacy of the creative talent. I am really thinking of writers of plays and writers of scripts, and all those who produce new ideas.

MR. JOLLIFFE: Only two or three weeks ago I was in conversation with a Hollywood producer and he went out of his way to tell me the main problem is writing -- not actors or producers or technicians. He said you cannot get people to write what we need. That suggested to me that if that is a problem in a





country that has been in the industry as long as the United States it will always be a problem to get original creative writers.

THE CHAIRMAN: It does appear to be a problem, and I think, with television particularly. You have an enormous very hungry monster demanding originality and creative talents for seven and eight hours a day every day in the week, on the basis of which you can very rarely repeat what you have done, and whether or not any country has enough creative power to keep this machine going is one of the questions.

COMMISSIONER STEWART: I think it depends very definitely on the practical question of ultimate stations and the single network policy.

MR. JOLLIFFE: Yes, sir, it does. I suppose the time may come, and it will be recognized in this connection, that the problem will be programmes rather than financing or the physical aspect, and there will be, I suggest, far-reaching and important factors when it reaches that point to consider whether there are enough worthwhile programmes available for use on duplicate stations, but we have not yet reached that point.

As I have said, there is a big appetite for material. Perhaps this would be a good time to take it one step further. Thus, broadcasting in this field is not like the motion picture industry who turn out a picture



a week or a picture a month; they have to meet public demand every day. Therefore, there is an enormous demand for actors and for writers, and certainly for films. The need for films is inevitable, and, therefore, I want you to underline what has been already said, if there is any doubt whatever about the right of the CBC to be in the field of producing and distributing films then that doubt ought to be removed.

When the present Act was written, television was already known, but it was a pretty theoretical knowledge and I doubt that the place of films in television was anticipated in 1936. Now it can be seen how closely films are associated with all manner of things necessary to television. You may have a production where film forms a part of a programme and where the rest may be live. Without saying any word whatever in criticism of film producing facilities in this country, such as the National Film Board, the fact is the object of television will be such and special performances of television will be such that the CBC must be in a position to produce much of its own film, and, I say, if there is any doubt of it, we urge that it be cleared up.

THE CHAIRMAN: At the moment we don't know whether there is any doubt or not because we have had remarkably little evidence on the problem which you are touching on now. As far as I know, it has arisen only recently. The annual report for the year refers to several hundred thousand feet of film being



produced, and obviously this will have to go on still further.

COMMISSIONER TURCOTTE: Do you think, Mr. Jolliffe, the National Film Board can be made to play a large role in feeding the CBC? Could make films to specification, or, at least, to supply the technical facilities and sets and so on?

MR. JOLLIFFE: Sir, I can answer that question in two parts. In the first place, we have already seen a number of films of the National Film Board produced on television, and speaking for myself, I thought they were of a very high quality, but the National Film Board is primarily engaged in making films for general purpose, and not specifically for television. I do not see how an organization of that sort could possibly adapt itself to the many highly specialized uses to which film has to be put in television. For one thing, it would be a wasteful duplication for the Film Board to set up facilities throughout the country to do film work which must be done immediately for CBC purposes, and where it wishes to use film or feature it for Weekly News Magazine in Vancouver. That can be better done through local CBC facilities rather than through indefinite expansion of the National Film Board.

COMMISSIONER TURCOTTE: Say it was required to have a film on the life of the beaver to be shown from five to five-thirty, and the







CBC commissioned the National Film Board to turn out a film of that sort, even if they had to wait two or three months to get it, on a long-range scale, could not that be done?

MR. JOLLIFFE: I would think that for a type of film that could be shown six months from today it is one that the National Film Board could do. They could do that work, as we all know they have received international recognition for some of their work, and, with great respect, that would keep the National Film Board very busy, and I would like to see many of them on television. But there are other things the CBC is better qualified to handle than the Film Board, and economically it would be sounder for the CBC to do it.

THE CHAIRMAN: You are saying, in effect, while we may be able to get all kinds of film continuity from the National Film Board, that there is a type of film-producing function that the CBC should do if you are going to have proper coverage, and if you are going to be realistic and do the work that has to be done immediately. For example, a producer who is doing a programme that is partly live and partly on film, obviously he has to do the whole of that production.

MR. JOLLIFFE: I should also like to emphasize, although the point is not a new one, I know, but we feel very strongly about it, that the employees of the Corporation are



entitled to a certain measure of security, and we feel the employees of the CBC have borne much of the burden in recent years.



We heard this morning that the CBC has paid us uneconomically high wages and that our membership, working for the Canadian Broadcasting Corporation, are still accepting what is almost exactly 50 per cent of the rates of their American counterparts. Leaving aside the argument about whether there should be any differential, the fact is that with most Canadians that we know of, the differential is not that great. Canadians may get 90 per cent of the American rate or 85 per cent or 75 per cent but you will go a long way throughout this country to find where rates are still 50 per cent of the American rates.

These are the wages we are accepting and we think that one of the reasons why, is that over the last 20 years the CBC has been inadequately financed and has been called upon to do an enormous job in a tremendous country, without ever being sure of where its next meal is coming from. We say that, far from being uneconomically paid, we have been paid less than we deserve to be paid because of the circumstance that this was a public corporation which has had to justify its existence almost every year and, it has been also obliged to serve the public in the less profitable field while the private enterprisers have been giving their type of service in the more profitable fields.

At the top of page 8 we state our position





that the Canadian programmes, Canadian talent and Canadian skills and the like, have not been developed in any significant degree by private stations, and we base this view on our experience over the past 20 years.

I must say that we are also interested in talent, because while many of our members are technicians in the strict sense of the word, much of the work they do does call for talent and enthusiasm as well as mere technical efficiency. This is obviously true of many others, for instance, the camera man on important television shows and we see no future or very little future for them in the private stations. They are getting more opportunities with the CBC and we hope they will get more.

While we are on this point, I might just say that when it is suggested that live programmes and the development of talent is not an appropriate field for private stations, that it is a branch of the network operation rather than local private stations, we are bound to agree up to a point, in the sense that no one can expect an individual station to put on a show of network cost or magnitude. Our point, however, is that there is no reason why more could not have been done.

By way of illustration we cite the case of one private station which has attempted to produce



live programmes and the development of

Canadian talent.

I might as well make

mention of the name - it is Station CKBL in

Verdun, Montreal.

This is a big city station

which has seriously attempted to develop native

talent and has done live programmes and is a

profitable operation.

Now, the question we

raise is, that if that could be done by one big

city station, why not by other big city stations?

We do not know of any other big city station which

has attempted the same thing, in that way.

MR. COMMISSIONER STEWART : There is one

in Edmonton - we heard about it when we were out

there.

MR. JOLIFFE: Well I am very glad to

know that Mr. Stewart.

I do not know if they

have gone into it as seriously as the one in Verdun.

MR. COMMISSIONER STEWART: I don't know

the extent to which they have gone. However,

I might say that in their presentation to us, they

said they had developed a reasonable amount of

talent through their live programmes.

THE CHAIRMAN : We also had some

evidence from one, which was also even in the

television field. We were told that they had

gone as far as to develop a show which was found to be

good enough to transfer to the national network -

which is the very thing which was suggested.





MR. JOLIFFE : Yes I know - but that sort of thing has been exceptional indeed. We don't say that there has been no Canadian live talent used by the private stations; we say, however it has been negligible.

THE CHAIRMAN : This is getting back to my opening remarks Mr. Joliffe; on page 8 you say even those operations which have been highly profitable, and there are many, have never made the slightest effort to develop Canadian talent or produce Canadian shows.

MR. JOLIFFE : Well, specifically I meant that there are exceptions to that, if that is too strong a statement.

THE CHAIRMAN : Well - that is all I meant.

MR. JOLIFFE : I am glad to qualify it at this time, but it is only negligible and indeed, I would be interested to hear of any Canadian artists of any importance who have got anywhere on the private stations.

THE CHAIRMAN : Do you know where Giselle MacKenzie started?

MR. JOLIFFE : She may have started on a private station, but I doubt if she was ever heard of before she was a singer for the CBC.

THE CHAIRMAN : I think she was developed on a private station in St. Boniface.

MR. JOLIFFE : It depends on what you mean





by developed sir. Speaking for myself I didn't hear of her until she was singing for the CBC.

MR. COMMISSIONER STEWART : Developed in that case, would mean given the original opportunity?

MR. JOLIFFE : Well, most of the private stations when they do use talent are using non-professional and frequently unpaid talent. We don't quarrel with this, but it doesn't happen to be the development of Canadian talent as contemplated by the legislation. For example, to get a public health nurse or medical officer of health to go on television programmes and explain their functions may be a very good thing, but it is not developing Canadian talent.

We have emphasized to the best of our ability the continuing importance of radio as well as television. We are somewhat disturbed by questions that have been raised as to the possibility that the dominion networks might be abandoned. This would mean, Mr. Chairman, not merely a reduction in the net radio broadcasting by the CBC, it would mean more than that. It would mean that more local broadcasting than even exists now, would be of the canned variety and whatever differences of opinion there may be about taste, and so on, we say it is reasonable to expect more worthwhile listening



in the event of carefully planned and rehearsed network programmes than when you get it off a disc which was distributed for essentially commercial purposes.

Already the inducements are very great to rely on the preserved commercialized tape rather than real programme content. Just to illustrate how great the incentives are, I have here a rate card on a 1,000 watt station in western Canada, and just taking that as an example, the rate for a half hour programme, once, on that station - it is a small station - is \$45. For that amount an advertiser can purchase that time, once. Now when it comes to programming it is open to the station-operator to purchase the tape from the United States for as little as \$7.50. \$7.50 will provide a programme for that entire period and all that remains is for an announcer on the staff to read the commercial continuity. Obviously if he can programme half an hour for \$7.50 the incentive is very strong to rely on this kind of programme from New York or wherever it comes from, but, not to take advantage of the network broadcasts if it is going to cost anything at all, or to use local talent.

So that the incentive is very, very great and although it is perhaps, outside our province, we are bound to point out in connection with the





protection suggested for Canadian performers and artists, that the merits of the reference that was made yesterday are not necessarily entertainment or art. They are more likely in many cases, to be a purely commercial product. It is not a question of discouraging the interchange of art or ideas or of entertainment between the United States and Canada. It is strictly a highly commercialized product which was turned out in some American city and is available at very low cost because there is such a large American market.

MR. COMMISSIONER STEWART : Well look at the other side of this coin though Mr. Joliffe -- if you are going to give an advertiser half an hour for \$45, what kind of talent can he have for \$45? Now this fellow is lucky if he can get something at \$7.50 but to jump from the canned variety to the live talent, he would jump from an enormous profit, apparently, to I would suggest, a rather big loss?

MR. JOLIFFE : Oh quite so. I am merely citing this as an example, to show the incentive which is there, for the operator to charge the local sponsors \$45. and \$7.50 for a tape and forget about it. I don't say that he is in a position to spend several hundreds of dollars for talent for that half hour - he is not.

However, the only alternative to the cheap, preserved product is property belonging to the network





which would give a great deal better show in the evenings at least. That is why I was suggesting that it would be a backward step to abandon the dominion network, because, if the dominion network goes, then these programmes which were available in the evenings, to private stations on the dominion network, will be gone also.

THE CHAIRMAN : You are saying in effect that, by using the canned variety of programming which you have mentioned you can make a pretty sizable profit, percentagewise, but is it not also implicit in what you are saying that we can't really do anything else? In other words, that if the range of cost for sale by the station, apart from the network operation, is a practical matter -- and you can't obtain live talent for something under \$45, which is going to be used?

MR. JOLIFFE : Not if this is a small station. If it was a big station, and CKBL is a big station, in the Montreal area, then the story would be different, but I am harping on this because of the importance of the dominion network.



This again in my view is no alternative for the cheap canned American productions.

THE CHAIRMAN: That is the point of my question.

MR. JOLLIFFE: By the same token the network makes it possible for them to employ Canadian talent, the play actor for the drama, various classes, gives no Canadian climate at all except to its staff announcer who reads the commercial. Now, I do not propose to take up time with the argument but we do not think and perhaps the case is clear already, that commercial revenues would support either adequate network or an adequate television network in the future.

COMMISSIONER STEWART: Even with aggressive salesmanship? Some witnesses who have come before us have stated that if there was aggressive salesmanship on the part of the CBC they could operate the Dominion network; I would not like to say they said at a profit but for a greater period of time per day than is being carried on now, the emphasis being on aggressive salesmanship.

MR. JOLLIFFE: Well, I do not think there has ever been any doubt that the CBC could be operated more aggressively in a commercial sense. I think that has always been the case but to do so would involve being prepared to go out and put the other fellow out of business. The CBC has quite properly I think, avoided making itself an aggressive commercial competitive operator.

COMMISSIONER STEWART: Then you do not believe they should be any more aggressive than





they are?

MR. JOLLIFFE: Well, I do not want to be dogmatic or doctrinaire about that. We see no reason why within reasonable limits the CBC station should not carry advertising to get money from it. Perhaps the most interesting case was that of CJBC, the key station of the Dominion network in Toronto and which is operated as a local station and does carry advertising and for a period at least was accused of being in a competitive position with the local Toronto stations, I do not think it is, but no doubt the CBC could get in more money by going out more aggressively after the advertiser's dollar in the radio field. However, if they do so, then it would be the ammunition of the private stations to complain again, as they do now, that they are being competed with by the CBC and instead of a partnership it is a dog eat dog battle.

THE CHAIRMAN: We are beginning to realize that there are many non-commercial activities of the CBC, there are many areas of public service, special things which you do not expect to be paid for out of commercial revenue, extension in remote areas, the question of the national news service, public events discussions and so on but the question still remains you are left with an area which - rightly or wrongly - is likely to remain as far as we can see, a commercial area. Now, when they are working in that area, what is wrong with the notion of competing just as vigorously as you can if you



are engaged in a private enterprise operation why should you not apply the principles of private enterprise and loose the force of competition in that area?

MR. JOLLIFFE: Well, firstly CBC is operating a limited number of high-powered stations, they have the power but not the number and to a large extent it is a network operation in radio and, therefore, the type of salesmanship you would have to use would be to go out after the national advertising. The national advertiser also uses, to a great extent, the local station, the local station gets a lot of business from national advertising as well as local merchants. Now, if we envisage the Canadian Broadcasting Corporation as being the public body which operates certain high-powered stations for national coverage and, at the same, time cooperates with and supervises the private-owned television stations and cooperates with them commercially, as well as in programming by giving them their fair share of the national advertising and so on, then it becomes rather embarrassing and contradictory to compete with them in going after the advertiser's dollar. There may be a certain amount of competition as between partners but not quite that kind of competition.

COMMISSIONER STEWART: I am sorry I cannot remember where the point was put to us but it was by a private station who complained about



the Dominion network not being sufficiently aggressive. I imagine he must have been in some remote area which he had to --

MR. JOLLIFFE: I did not hear it. That complaint may have arisen because certain advertising which would be on the Dominion network today were it not for television, has been withdrawn from the Dominion network by sponsors who wanted to get into television. This happens on occasion, programmes, one at least, a very well-known programme, and naturally the operator of a Dominion network station feels badly about losing something he had before.

THE CHAIRMAN: I think that was the origin of it but I think the next statement, I think it was in Montreal was that sure the Dominion network has lost to television, it is inevitable, but if they were a little more vigorous they could go out and replace that with something else, something to replace what they had done before.

MR. JOLLIFFE: Well, this brings to mind, Mr. Chairman, the fact that while some of the private stations are very vociferous in the criticism of the CBC, they expect the CBC to do a great deal for them not only in programming but getting business for them too.

COMMISSIONER STEWART: This was self-interest, there is no doubt about that.

MR. JOLLIFFE: I am not finding fault with that, he has to make his business pay but on the one







hand they are critical of the organization and on the other hand they expect them to go out and solve a lot of their problems.

THE CHAIRMAN: The argument he put was, "Certainly I am looking for a little more advertising on the Dominion network but if it is done it will also improve the standing of the CBC so far as the Dominion network is concerned".

MR. JOLLIFFE: Well, we would not object if CBC revenues were increased by more aggressive salesmanship.

COMMISSIONER STEWART: You have no objection to them being much more aggressive commercially than they are?

MR. JOLLIFFE: No, except we do not like to see programmes -- as long as it is not taken too far. No self-respecting technician or performer in this industry likes to see a programme mucked up with too many commercials, it is irritating and it does not make a very good show. Everybody in the business knows it and I believe you would have to raise the question of whether or not news bulletins might not be sponsored. This might be a source of revenue.

COMMISSIONER STEWART: To make the records clear, I think I mentioned spot advertising.

MR. JOLLIFFE: Yes. Now, in theory I suppose there is no particular reason why the news bulletin on the Trans-Canada network should not be preceded and followed by a commercial spot but I notice in Canada a self-respecting daily newspaper



does not place any advertising on its front page where it presents the major news of the day. I think that would irritate newspaper men and it might irritate the readers.

COMMISSIONER STEWART: Of course that gets back to the debatable question of taste, because your English newspapers run advertising on the front page. It is taste or custom, I do not know which.

MR. JOLLIFFE: The Times does that but it does not place advertising on the major news page nor does a Canadian paper permit advertising on an editorial page and it will not allow an advertiser to dictate where the advertising is to be placed or what is going to be in it. They have some rights. If we have the CBC announcers presenting in the national new bulletin at 10 p.m. a report of major significance and importance such as we have known on the death of the late King or something of that sort, I would personally find it most distasteful and invidious to listen to a commercial spot before and after a news announcement of that sort. I think many Canadians would feel the same way. One more reference to salesmanship; while this organization certainly would not object to more aggressive salesmanship and more revenue from that source, we have many times heard bitter complaints from private stations that the CBC is too commercial, that they ought to keep out of that field and leave it to the private stations.



THE CHAIRMAN: Well, there has been a little of that but I think they are the more extreme proponents of the notion of not having the government in business, I think that is the basis of most of those suggestions.

MR. JOLLIFFE: Now, with further reference to the commercial aspect of the thing, some questions have been asked about the influence of sponsors, if any, on the content of programmes. We are not suggesting there has been a great deal of this but examples were invited and we happened to know of a great many. One should be specific and this was a matter of public knowledge and it was publicly discussed that a play written by a Canadian author accepted by the CBC for use on General Electric Theatre, after it was in rehearsal was cancelled at the insistence of the sponsor, General Electric. That was a play by Ted Allen and that appeared about a year or two ago and was discussed in the press. During that same year there were at least three cases in which a play chosen by the CBC for use in that programme was dropped at the insistence of General Electric or its agency. More recently we have a variety shown known as the Jackie Rae show; my opinion which I think is well founded is that the use of American guest artists on that programme last season was at the insistence of the sponsor and not the real choice of the CBC. In another case a year or more ago the selection of the master of ceremonies of another important variety programme







Pick the Stars was not really the selection of the CBC but was insisted upon by the agency or sponsor concerned. Another instance which might interest music lovers, a very good play in our view, at least, the Life of Beethoven was scheduled for use on a sponsored programme and had to be changed over to a sustaining programme because the sponsor held it to be unacceptable. So, there have been cases of interference. We are not making a big issue out of this, naturally where there is a sponsor the CBC tries to get along with the sponsor and this is not necessarily a terrible thing but it is evidence that sponsors do not restrain themselves at all times and do not hesitate to intervene when they see fit to do so and sometimes successfully.

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THE CHAIRMAN: Well, I think there may be two kinds of interference, one of which is reasonably understandable, and the other perhaps less so. One of the examples -- I think the last one that you gave -- is the case where a sponsor decided not to buy. I can understand that. It is not the kind of thing he wants and it his choice before he spends his money. The other two examples you gave were, more particularly, examples of actual interference with the details of the programme which he bought. The distinction may not be important, but it could be. It gets into this element of the extent to which the sponsors actually determine the programme content.

MR. JOLLIFFE: The answer to that question is that I don't know. All I can say is, there are examples of intervention even after the sponsor has contracted to finance at least part of the show, which was the case in the Beethoven play.

Now, sir, I propose to go on to another important aspect in our brief, namely our views about the licensing and control of private television and sound broadcasting stations in the public interest. May I say, first of all, we understand that the briefs and representations made to your Commission have been made in a very moderate and gentlemanly way. That is the way things are done in this country, and I find no fault with it. It is commendable. However, perhaps on this one day, at least, it is



our duty to call a spade a spade, and we refer in particular to the private station operation in this country. I do not wish to be understood as saying that they have no merits whatsoever, but I think our function here, perhaps, is to state very clearly and directly what faults we have to find with them, and they are considerable.

I am going to summarize our case against the private stations, or most of the private stations, and I wish to assure you first that we have evidence to offer, though I don't want to take up too much time, and I shall try not to overdo it.

Our first complaint against what the private stations have been doing is that they just have not paid enough attention to the findings of the numerous bodies which have investigated this question. Indeed, their spokesmen have often spoken and behaved with contempt towards the findings of such bodies as the Massey Commission. We don't question their right to disagree, but the language which has been used, and the sort of propaganda which has been circulated, would indicate that they just are not prepared to accept the findings of a body such as the Massey Commission, and have no intention of going along.

THE CHAIRMAN: Before you leave that, Mr. Jolliffe, do you draw a distinction between the findings of an inquiry and the imputations of those findings? I think it is perhaps





debatable as to whether anybody needs to accept the findings of this Commission that we are on now, but if the Government should accept them and carry them out, then maybe you are in a different area. Is your complaint against the attitude towards the recommendations of the Massey Commission, or is it directed towards the failure to comply with the implementation by Parliament of the findings of the Massey Commission?

MR. JOLLIFFE: Well, this particular complaint is that their attitude, instead of being open-minded -- we have given in our brief a quotation which we think is characteristic of the attitude taken by their trade journal and by some of their responsible spokesmen.

THE CHAIRMAN: Just to turn the thing around, supposing you are opposed to the notion of an independent regulatory body in your brief, and suppose for the sake of argument we were to find that an independent regulatory body was a good idea; wouldn't you have an obligation to argue against that finding?

MR. JOLLIFFE: I don't think there is an analogy, sir, because at the time the Massey Commission made its report many of these gentlemen held licences. These licences, as they well knew, were not permanent or absolute. They were under authorization and conditions. The findings of the Commission may not have been entirely implemented by the Government or by the



Board of Governors of the CBC, and I am not saying they were under any obligation to do so. What I do say is that after a body of that kind makes its inquiry, its findings, at least, deserve some respect by people who are enjoying the privilege -- not the right, but the privilege -- of holding licences under the Radio Act. Instead, they have been tilting against it ever since. That is quite different from the case of the ordinary citizen who may not agree with the Massey Commission. I think the responsible owner or licensee of a private station is in a somewhat different position.

THE CHAIRMAN: He is under some sort of disability, you think, as far as engaging in this subsequent debate which follows?

MR. JOLLIFFE: I think he is quite entitled to take part in any debate, but in a responsible way. Instead of ridiculing it as a long-haired product -- and this is the type of language that has been bandied around in the private station approaches, and coming from the licensees I think it is improper.

COMMISSIONER STEWART: You don't object to their criticism as such, but to the manner of the criticism?

MR. JOLLIFFE: Well, we object to the manner of their criticism because it is an expression of defiance. It is a clear indication there is no willingness to be influenced by such inquiries, or such findings. They think





their business is their own business, and, by the same token, our second complaint is that they don't seem to know or understand their place. Perhaps it is natural that they should try to elevate their own importance, but much of their propaganda has proceeded on the basis that the CBC is their competitor as well as their regulator, and that it is an unfair type of competition. This equates the community service with the national service, and is clearly inconsistent with the scheme of things in the Act and the reports of previous investigators. There is nothing in any of the Acts or reports to suggest that private stations should be elevated from the local level to the national level and be common competitors with CBC. This they apparently do not understand.

MR. COYNE: Surely, what they are in essence doing is seeking, by arguments which may or may not be acceptable or plausible, to change the law. You are not suggesting, are you, that anyone is in such a position that he should not be free to advocate a change in the law, whether it is a change that affects his personal interests or not?

MR. JOLLIFFE: Mr. Coyne, there has been something said here about the inefficiency under which CBC management and governors, apparently labour, and their unwillingness to become involved in public controversy or to advocate or defend certain policies. There has never been the



slightest sign of any inhibition on the part of the private station operators, and when these men are also in theory at least partners in our national system, it is not fair that the CBC should be so responsible as to abstain from controversy about policy when their private station partners are in it all the time, vocally, vociferously and continuously.

COMMISSIONER STEWART: Isn't that a voluntary act on the part of CBC? There is nothing in the law which would restrain them from answering their critics?

MR. JOLLIFFE: That is so, sir, but I don't think it is so much a matter of legal restriction as a sense of responsibility by virtue of the position they have. The private station operators, while they are quite entitled to put forward their views, and I would say it is a very appropriate place in which to put forward their views, they are not entitled to carry on the kind of high-powered propaganda campaign which has been going on for some years. That shows an irresponsible approach. I don't say they are legally barred from doing it.

THE CHAIRMAN: I may say I have difficulty with this business of the private stations not knowing their place, particularly from you, who I thought was an opponent of the classes of society?

MR. JOLLIFFE: I don't think it has much to do with the classes of society. I think



it has a great deal to do with their place as recognized by our legislation, and our legislation never recognized them as a competitor with CBC.

THE CHAIRMAN: I think you are, in effect, saying they were misrepresenting the position that they have been assigned by our legal arrangements. That I can understand -- whether I agree with it or not is another question -- but this business of "knowing their place", I think that is an unfortunate way of putting it, isn't it?

MR. JOLLIFFE: It may be, but these people have been very free with their use of the English language, and somebody sooner or later has to call a spade a spade and tell them what their place is. I am not saying your Commission should do it, or somebody else should, but it seems to us it was our duty to do it. I may say, we think that is where their place is. We say our position is consistent with the legislation, and theirs is not.

We have a third complaint against them, and that is that many of them campaigned for relaxation of the regulations. Some systematically evade the regulations in the spirit, if not in the letter, and some have openly disobeyed the regulations, or the law. Their view of the regulations is highly significant. Two or three years ago the CARTB produced this yellow pamphlet in which they stated their criticisms of the regulations which are the regulations in effect now in a general way, with some changes.





It is perfectly legitimate for a trade association of this kind, and it is also expected of a responsible trade association that it will make some attempt along this line. The regulations in this pamphlet are not described as regulations; they are all described as "controls". That is the very word, and it seems to be useful from a propaganda point of view: "Control No. 4(1)(b)", to take an example, and in this pamphlet you will find that regulation after regulation is analysed by the Association and criticized, and the general conclusion is that it is unnecessary and it is just nonsense and has no point in it at all. I will file this pamphlet in support of our contention that what the CARTB wants is not a new independent regulatory body, but no regulation at all. The key regulations are discussed in the pamphlet, and the typical comment on them is that "it is not necessary".

Another one says that it shows disregard for the position of the Church in the life of Canada; others will cripple broadcasting on behalf of charitable and other organizations. "Control No. 8(1)(c) and (b): Has no purpose in the public interest and we recommend its elimination." That was the control which restricts broadcasting announcements about the sale of bonds, securities, mining and oil, and so on. I file this pamphlet in support of our allegation that what the CARTB really



wants is no regulation at all.

THE CHAIRMAN: That will be filed as Exhibit No. 217.

EXHIBIT NO. 217: Pamphlet issued by CARTB.

MR. JOLLIFFE: They find no virtue in the numerous regulations discussed in that pamphlet, and they thereby show what their real objective is.

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Now on the matter of the regulations themselves, we are not here at the moment to debate the merit of the regulations; whether they are good or bad. Our position simply is that the Board of Governors, in its wisdom and no doubt after distribution and after hearing from interested parties, adapted certain regulations, as it had the authority to do, and while those regulations are in force they ought to be respected. I used the word respected. I would think anyone sufficiently responsible for holding a license would make a point of respecting it. Enforcement should not even be necessary. We had conceded and we are prepared to concede the point that these regulations are very frequently evaded or openly disobeyed. Indeed, I would go further and say violations of the regulations are general. That is why, if I am called upon to give you specific examples of times, names, dates and places, I, perhaps, could give you on one sheet the time, the date and the place but not the name of the station and to give you on another sheet the key, so if you wish you may ascertain what the station was. It seems to us it would be unfair to name one station or ten stations in respect of such broadcasting which in our opinion is general. We have no quarrel with any particular stations.

THE CHAIRMAN: I think on that particular point, Mr. Jolliffe, you state you are prepared to



give examples of the charges of the breach of regulations and we will leave it there without actually filing the documents and should we require information we can obtain it from you.

MR. JOLLIFFE: I think one or two would be rather disappointed not to have it put in.  
(Laughter).

THE CHAIRMAN: I am not going to do that although I do want specific information this Commission is not going to turn itself into an enforcement agency for the CBC. We may be forced to make a judgment as to whether the regulations have been, in fact, complied with or, in fact, have been enforced and that in some places that has not been done and we may want evidence so far as those items are concerned but I think there is this problem that in specific cases with the person charged not before us it may be somewhat unfair to go into it in a specific way.

MR. JOLLIFFE: That is precisely the reason I would prefer not to give the name of the station except to the Commission itself because they are not represented here.

THE CHAIRMAN: If you want to give us any particular examples of this without naming the station and we can get that from you later if we require it.

MR. JOLLIFFE: There is one example given and it is of a very general character and does not relate to any particular station because



what I am about to refer to happened on more than 20 private stations across the country. As you may have noticed the regulations limit the time for advertising a message, not only the number of times it may be used in a given period but also, in regulation 7, the time of the message itself which in the case of a five-minute programme is said to be one minute and 15 seconds from midnight to 6 p.m. and only one minute between 6 p.m. and midnight. This is a regulation that is openly broken and I would like to draw to your attention the number of radio advertisements that have been used and obviously go away over the limits provided by the regulations. I have here one that is very significant in that it was used on more than 20 stations and this particular message came under the scope of the Food and Drug Act and therefore had to be approved as to copy by the CBC's legal department. It was so approved, as this copy is marked and I wonder, Mr. Chairman, if you will permit me to read it. It is not supposed to be over one minute and 15 seconds. I have a stop watch and I will invite someone to time me. This was for a five-minute programme, which in practice is 4 minutes and 45 seconds, I did not enjoy reading it before lunch as I am very thin. It is called Wate-On 5-Minute Programme.

During the next few minutes we're going to hear \_\_\_\_\_ brought to you by the Wate-On





Company with welcome news for all you healthy folks, who've wanted to gain pounds and inches of firm flesh and look far more attractive. Yes friends - if you - or anyone among your family or friends are skinny, thin, underweight, bony and flat figured - then get the new Wate-On Liquid Emulsion that carries the guarantee to help put on pounds and inches of firm solid flesh the very first week -- or it costs you nothing. And let me tell you Wate-On is pleasant, really delicious. It's daily dosage contains as many calories as many a skinny person's regular meal. Wate-On supplements your meals with calories that are prepared to be easily assimilated and be used by the body in putting on attractive weight. For instance a 94 pound girl went up to 115 pounds in only a month -- success stories like this pour in every day. So now today go to your drug store for Wate-On -- do this on the warranty that you have the right to take the full bottle as directed and then, if you haven't gained up to five pounds to your satisfaction you return the empty bottle for your money back. You've nothing to lose but a skinny thin underweight figure -- so now today -- get Wate-On -- W-A-T-E O-n -- Wate-On.

Music.

Say - Do folks call you "SKINNY?" If you're in normal health and underweight due to dietary or nutritional deficiencies -- if you're the girl who can't fill out a skating outfit or bathingsuit in the right place -- or the fellow who's afraid to



take off his jacket or shirt because you look like a scarecrow -- LISTEN: WOULD YOU LIKE TO GAIN SOME WEIGHT? Here is a new preparation that will help to put on weight or it doesn't cost you anything. Wate-On is tested -- and proved -- absolutely safe even for children. Wate-On builds the appetite and at the same time contains weight building calories that put on pounds and inches of firm solid flesh. Now you don't have to be skinny. Now you don't have to be afraid to get in a skating costume or bathing suit. So get Wate-On and put it to the test. Use the full bottle as directed and then, if you haven't gained up to five pounds to your satisfaction -- return the empty bottle for your money back. The first bottle of Wate-On must add pounds to your figure -- or it doesn't cost a penny! FAIR ENOUGH? It's up to you! RIGHT NOW -- go to your druggist for Wate-On -- W-A-T-E O-N -- Wate-On. Get Wate-On today.

(Sustained laughter).

That is exactly two minutes. Now, Mr. Chairman, in all kindness, this rubbish is typical. If you are prepared to listen to many of the private stations across the country, apart from its artistic merits or demerits it is an obvious violation of the regulation. It is, at least, three-quarters of a minute and probably one minute over the legal time and, as I say, this was carried over 20 stations in the country and it was approved by the CBC.





MR. COYNE: This was approved by the CBC as the regulations require.

MR. JOLLIFFE: Yes, it was approved on October 20, 1953 and carried for some time thereafter. I think, probably, it should be filed as an example of Canadian culture. Mr. Chairman, I would like to say, but I am not going to inflict it on you, but I have a similar advertisement for use in a 10-minute programme from the same sponsor, the same thing only worse and it refers to many other things -- to the bustline and the chest and other parts of the anatomy and it is longer. It is, also, obviously overtime and it was used. Since I am dealing with the question of violations I would point out in passing our case is not negative. We strongly endorse the suggestion that has already been made that the regulations should be enforced or should be abandoned. A responsible branch should be directly responsible to the authorities of the CBC management. The situation should not be left to be clarified by friendly relations with private stations and the policing should be done by somebody else.

THE CHAIRMAN: There would still be a considerable element of cooperation on the part of the enforcing branch trying to get voluntary compliance. You are not suggesting suddenly starting out with a great mass of prosecutions?

MR. JOLLIFFE: Oh no.

THE CHAIRMAN: You agree, the enforcement function is in obtaining compliance first, if you can?



MR. JOLLIFFE: We do not have in mind hounding or persecution. If it is a matter of prosecution I would think prosecution in a police court would be the last thing. That is not the answer but what we are urging is that the suggestion of the Massey Commission be followed and if it is compulsory and should be enforced the enforcement procedure should be implemented.

THE CHAIRMAN: What do you suggest as a technique for that enforcement? That the Board of Governors or an enforcement division should be empowered to levy fines? Where would the sanction lie in this suggestion to deal with recalcitrants?

MR. JOLLIFFE: If the enforcement branch were active and effective in the case of recalcitrants, then, it seems to me, there ought to be a series of fines on a reasonable scale, or prosecutions are going to be a loss.

THE CHAIRMAN: I have not got it in front of me at the moment, but in section 5, it says: "shall be punishable under a summary conviction". You know the familiar words. I am wondering -- who opposes it? Who hears the case? I think the CBC management should also answer to the Board for violation of CBC stations and I don't see why a licensee, when they come up to renew, on the terms or conditions that violations may result in fines according to a certain scale, now there are certain organizations in this country, perfectly legal organizations,



in which the members agree to be subject to penalty. I was aware of the section in the Radio Act but I would strongly urge and I have had considerable experience in that particular type of prosecution, that is almost always unfortunate to take into police court proceedings under summary conviction. If the prosecution is in an untried field before a magistrate, and even though it may be a perfect case, if the magistrate is not familiar with this field you get nowhere.

THE CHAIRMAN: I think you would run into difficulty in getting magistrates to levy fines that would be commensurate with the offence. But you can get around that by putting a minimum fine on.





MR. JOLIFFE : With respect sir,  
I don't think it is proper for magistrates to be  
concerned in a case like this -- when they are  
presented with something unusual they feel  
it is unfair and this is an untenable situation.

THE CHAIRMAN : Well take the demonstration  
you gave us a moment ago; say this case is a  
breach of a regulation when there was a minute  
involved and, obviously, you could by simple  
evidence prove that it took more than a minute,  
if you brought that set of facts before a magistrate  
how could he possibly do anything but convict?

MR. JOLIFFE : Well if he was getting  
very involved he would have to take his guidance  
from the licence and the prosecuting staff and it  
would be an unfortunate procedure.

THE CHAIRMAN : Well, we at least have  
your recommendation. Thank you.

MR. JOLIFFE : Then our fourth particular,  
is that private stations, all but a very few stations,  
have refused or neglected to make greater use of  
Canadian talent and, we are told, "we can't afford it"  
but apparently there are many things which they can  
afford.

The fifth particular is that many of them  
are directly or indirectly subsidized by the CBC.  
It was a matter of astonishment to many of my friends,  
a few months ago, to learn that that was the case, and



to learn that certain private television stations were apparently getting support from the CBC - that was startling news.

Many people have been led to believe for many, many years that the taxpayer was paying for the CBC and that private enterprise was footing the bill for the private station. We are not saying that private stations should not be assisted. Certainly, if they are to serve a function within the national framework, they may well deserve it. There may be cases where this is essential - that they should receive assistance, but, we do say that if they are in that position then they should not go about posing as great men, who, at no cost to the taxpayer, are providing an essential service. They ought to drop that pose as long as they get any assistance whatever.

MR. COYNE : Mr. Joliffe, in that connection you say, "private stations who are providing free air-time to the CBC" -- would you say by the same reasoning that this is providing some sort of subsidy or quid pro quo, due to the fact that they don't pay anything for the use of the programme ?

MR. JOLIFFE : Well, in some cases Mr. Coyne, free air-time is not worth very much, at least in the smaller stations it isn't. In the larger stations it is worth more, as witness the rate card





I read a little time ago, and free air time cost, while they are perhaps getting credit for this, may not mean so much. It may be a programme that should be broadcast in that area, but it would not compare with the cost of programmes in particular network services.

MR. COYNE : But could you really measure it with sufficient accuracy to say, that there is, in fact, a subsidy one way or the other . There is surely a quid pro quo, of some kind, and each side is providing something that is worth something.

MR. JOLIFFE : Well that is precisely one of our objections. This matter has been kept in wraps. In answer to your question I would say that it is high time that the full particulars of this relationship were reported on and made public, and then you and I could profitably argue about whether or not the book-keeping is correct, and who ought to be charged with what. Up until this point was raised, only in recent months, this form of assistance, whichever way it goes, has not been fully disclosed. As you see, the CBC reports indicate certain types of assistance, but we don't know what it is worth and they don't tell you anything about it to allow you to arrive at a conclusion. We have heard the evidence of Mr. Dunton that the cost of a television setup is considerable, and must be considerable. In





view of the fact that each time a new private television station comes on the air and receives CBC services, there is an increase of cost to the CBC, and that I understand is the effect of his evidence - is it not?

THE CHAIRMAN : Yes, but I suppose that the other side of it would be that the expenditure of "X" thousand dollars for the purpose of extending the service is a cost to the CBC but that is not necessarily a subsidy of the private station.

MR. JOLIFFE : That is quite so.  
Perhaps we are not too clear.

THE CHAIRMAN : I think that what you are really saying is that there should be recognition of both sides, that there is something given and something obtained in this arrangement ?

MR. JOLIFFE : Quite so.

THE CHAIRMAN : And you are objecting, I think, to the private stations failing to acknowledge what they are getting by way of servicing of programmes.

MR. JOLIFFE : Yes, quite so.

THE CHAIRMAN : I think it is only fair to say, and I am sure you would be the first to do so, that we have had a number of private stations come before us, who have been very frank in acknowledging the value of these services.

MR. JOLIFFE : Well, I am delighted to hear



that, Mr. Chairman - I am delighted to hear it, because the members of this organization and myself have talked sometimes in a very friendly way - and sometimes otherwise - with a good many private station operators and their attitude is usually "we are paying the bill" with a very little credit, if any, given to the CBC.

Our next ground of complaint is the trend towards monopoly in the ownership and operation of the stations. In that connection you may have noticed, Mr. Chairman that we have qualifications to be made about this word "monopoly". It is not all good and it is not all bad. However, with due regard to these qualifications, and recognizing that there are fields in which monopoly is inevitable and not necessarily undesirable, we do not see any valid economic or social justification for the ownership or control of the chain of local radio stations by one person or group or corporation.

I feel that this, sir, is in some cases undesirable and dangerous but, it also seems to me, to be inconsistent with the idea of local operations by local men who understand their own communities.

THE CHAIRMAN : You are not arguing against monopoly as such, you are saying that this kind of chain operation tends to run counter to the whole purpose and function of local stations?

MR. JOLIFFE : Quite so sir.





MR. COMMISSIONER STEWART: On the other hand, there is a certain element of monopoly in the government system of television is there not?

MR. JOLIFFE : Oh yes.

MR. COMMISSIONER STEWART: You think it is all right for government, but not for private enterprise?

MR. JOLIFFE : Well Mr. Stewart, as we have tried to make clear, we recognize that in some of these cases monopoly is unavoidable. To take an extreme example, as we have here said, we have yet to hear even a hint that there should be a competitive pipeline across this country. Nobody has brought up that point yet.

MR. COMMISSIONER STEWART : It is a matter of economics?

MR. JOLIFFE : But this is also a matter of economics. If we can afford only one trans-continental network system, in our view, the services may be equally important, so that we are not saying all monopoly is bad, or that it cannot happen or should not sometimes happen. We do say that in this case it is not necessary and it is not desirable. We get along with one telephone company in Toronto, and nobody complains about it very much, but there would be complaint if all three daily newspapers were run by one company. Then there





would be grounds for complaint. I think you will understand that - and it would not be necessary. We have found great objection to the concentration of ownership of the only daily paper and the only TV station and the only radio station in some cases where this has happened, and we hope that it won't happen again.

THE CHAIRMAN: Is there more than one such case? I know there are partial cases but has there been any really classic case other than the one in Peterborough?

MR. JOLIFFE : Oh yes - in London, Ontario there is only one surviving daily paper there - there used to be two. There is only one radio station and one TV station which are owned by the one group. Now there are other radio stations close by and indeed, St. Thomas radio station has an office or studio in London, but strictly speaking, it is a St. Thomas station. We also think that perhaps attention should be drawn to the odd case - in Sherbrooke, Quebec, and this was correct at the time this was written and, so far as I know, is still correct. Mr. Wilcox has just pointed out to me that recently there has been another station listed in London, so that what I said may not still be correct, but if this is so, it is just in the matter of the last two weeks. In Sherbrooke at the time this was prepared, we confirmed



that the owners of the only French daily paper also controlled the French and English radio station and had been licenced to operate the only TV station.

Of course there is an English-language paper there but it is in a different language. We have recommended, and this we think is a reasonable and moderate proposal, that within a reasonable time these chain operations and monopolies be broken up. We are suggesting within three years so we are not asking that their heads be cut off or anything of that sort. Three years seemed a reasonable period.



COMMISSIONER STEWART: Without discussing the merits or demerits of this case, have you any instance where the power of these media have been used to the detriment of the listeners or the readers?

MR. JOLLIFFE: Yes, sir, we think so. It is perhaps not a very good idea to quote from our own experience but we do complain of improper news coverage in the instance which is described at page 22 specifically. Now, we use that example even though it relates to our own organization because the effective analysis was made by another newspaper, the Globe and Mail made an analysis of the coverage of the strike in Peterborough by the Peterborough paper, and our own statements are based largely on the Globe and Mail analysis. On that analysis the Globe and Mail showed that for eighteen days there was a blackout of news about the strike in the Peterborough papers although it was in other newspapers and the Union made an issue of the matter. A parade was reported six days later; now, a newspaper does not report news six days later. In fairness to the owners, may I say since this was written this organization has received a letter from Senator Davies denying he has an interest in these undertakings, but the fact remains, as we have put it, that members of his family are interested in all three things. It does not necessarily follow that Senator Davies is personally legally





involved but he would agree that members of his family are interested in it. That is a specific example, Mr. Stewart, of the way in which we feel the news has been affected by that type of thing, although I am not prepared to put such examples before you at the moment. We also feel that broadcasting generally, through the debate that has gone on in this country in which practically all newspapers have taken part, could not be discussed as objectively as it might have been discussed because so many newspapers are interested in the radio business. I am not saying all they said was said in bad faith, I am saying it is a matter of bad faith when a newspaper comments and is not disinterested.

COMMISSIONER TURCOTTE: Could other radio stations be heard in Peterborough besides the local station?

MR. JOLLIFFE: Yes.

COMMISSIONER TURCOTTE: And other television stations be seen?

MR. JOLLIFFE: Other stations can be heard but not too easily, it is a location where reception is not of the best. I can speak from personal experience, in that area it is difficult to get other stations.

COMMISSIONER TURCOTTE: Is that station in Peterborough the only one?

MR. JOLLIFFE: Oh, if you have a good receiver you can get many others, but on an ordinary, second rate radio, which many



people have, it is difficult to get other stations.

COMMISSIONER TURCOTTE: How about television?

MR. JOLLIFFE: Well, their station is the only television station you can see.

THE CHAIRMAN: Oh, with more elaborate outside aerials you can reach some of the American stations?

MR. JOLLIFFE: There are not too many of those installations. There is another radio station at Lindsay recently licensed, but it is weak and does not bring in a good signal into Peterborough. That station was designed to cover a different area.

Now, finally, we are registering a very vigorous complaint about standards of operation and the standards of employment in private stations. I would like to assure the Commission that it was only after a great deal of consideration that it was decided to place this aspect of our case before you. I would also like to make clear that we do not expect this Commission or anybody else to do this Union's job, but we do suggest, as we say at the end of our reference at this point, that when people are granted a licence to operate a private station it carries with it some responsibility to live up to certain minimum standards with respect to programming, news, integrity, labour relations and employment. The standards in the private stations in respect to labour





relations and government are very low, and we have sought to prove that by reference to their own material, their own documents, to indicate that the average wages paid by them are far below the prevailing level in the manufacturing industry. Now, it is not unfair to expect employers of a reputable standing in the community to come up at least to the average in the manufacturing industry. These averages are easily obtainable from the Dominion Bureau of Statistics, and they are broken down with respect to different branches of industry, and if you will look at page 28 of our brief you will see that on the strength of the memorandum filed, CHRC in Quebec City, as of July 1953, their idea of a high rate for transmitter operator or a studio operator, which is a qualified technician, the high for that range according to them would be or should be \$200 per month. That is the high rate. Now, as of that date, according to the Dominion Bureau of Statistics, the average weekly wage of workers in the manufacturing industry throughout Canada was \$56.35, or \$242.30 per month. In the manufacturing of electronic apparatus and supplies the average weekly wage is \$59.78 per week or \$257.05 per month. These figures as of July 1953 are, of course, now more than three years old, but in the meantime there have been changes, upward changes, in manufacturing averages and also some other industries, but the relationship





between the two is much the same. We suggest it is deplorable that in an industry occupying such an important place in local communities and having so much to say on matters of public policy has such a disgraceful record in this field.

I think we have given considerable evidence of that kind. I might say that the CBC scales are considerably better although we had to push for them, and, as I have said, we are fifty per cent of the American rate.

THE CHAIRMAN: There are exceptions, Mr. Jolliffe, I think I know at least two private stations in Montreal whose salaries are on a par with those paid by the CBC although there are no unions -- one with a union and one without a union.

MR. JOLLIFFE: Well, we recognize there are at least two stations in Montreal which behave in a civilized way. This was not an attempt to smear all the private stations, and we were careful to specify that there are some exceptions. The tragic part of it is there are so few exceptions.

COMMISSIONER TURCOTTE: There may be more stations in Montreal, but I know of two.

MR. JOLLIFFE: There may be more. There is a station in Toronto which does not have a union contract which we are very pleased to concede pays a decent wage scale and does not treat its employees in an inhuman way, but our



experience with a substantial number of private stations has been very bad. May I say, as one who has represented a good many industries, that I do not know of any industry where there is so much trouble about asserting civil rights and the rights of the employee as there is in this industry. I do not know any place where the record is as bad as this one. There has been trouble in almost every station where this Union has entered; people have been dismissed and intimidated and there was one case of downright bribery. Every application to the Board has been fought to the bitter end. They seem to take the view that they are in a special class and do not have to bother with unions. It is regrettable and a little bit difficult to understand. We have made agreements with some stations where they have settled down after a big fight, and we now have civilized co-existence. Why the rest of them are not willing to do this I do not know.

COMMISSIONER STEWART: You have not contracts with too many private stations?

MR. JOLLIFFE: No, we do not, and I might tell the Commission there have been a number of unions organized and we have lost as a result of practices which the overwhelming majority of other employments have given up. You won't find them any more in most other industries, most Canadian employers today do business with unions on a reasonable, businesslike





basis. This is the majority, but not in this industry; this industry is functioning the way some of them functioned forty years ago. I think that pretty well brings me to the end of our brief except to say our recommendations are summarized on the last two pages, and they do not develop merely from the submissions of the Canadian Labour Congress, which we endorse in general, although we put the emphasis in certain different places.

THE CHAIRMAN: I have a couple of questions to ask you before you leave the end of the brief. On page 32 you say, among other things:

"It ought to stop the practice at some stations of keeping one log for station records and filing another, suitably edited, with the CBC."

MR. JOLLIFFE: Now, again, I do not want in the absence of people we are charging to get down to specific cases.

THE CHAIRMAN: Are you in a position to give specific examples of it?

MR. JOLLIFFE: Yes, we are; I can even produce witnesses, but that probably is not necessary. We regret to say it does happen in a number of stations, and perhaps if there was an enforcement branch a warning would be sufficient to stop it.

THE CHAIRMAN: If we need to get examples we can get them from you?



MR. JOLLIFFE: Yes.

THE CHAIRMAN: Because we are not restricting our inquiry to the business of matters that are given on oath in the hearings. As you know, we have a number of private inquiries going forward.

One other thing, at the bottom of page 29 -- and this is a more general point -- you say:

"The proposal to create a so-called independent regulatory body is in reality, as the Massey Commission concluded, a proposal to divide and destroy the national system which has been built in the past twenty years."

Without meaning to indicate any opinion as to favouring or opposing the independent regulatory body, why is it so that you think an independent regulatory body necessarily operates to divide and destroy the national system? You have an independent regulatory body over the railways, and this does not destroy the C.N.R.; the Air Transport Board does not destroy the T.C.A.. Now, there are perhaps many reasons against it on other grounds, but why would the establishment of a separate regulatory body destroy the national system which has been operating in Canada for the last number of years?

MR. JOLLIFFE: We think that would be the logical result because the creation of such a body implies the abandoning of one



principle for the adoption of another. It brings in the principle that there should be in Canada a central Crown corporation entrusted with the duty of providing (a) by way of public institutions and (b) through privately owned stations a national service involving the abandoning in favour of the principle that there should be set up a publicly owned system and also the privately owned system of stations which could compete with each other, or cooperate with each other which could -- they could resolve a dispute by going to the regulatory body.





Now, if I may speak a little out of turn for the moment, sir, I must say I am very puzzled by the approach of the CARTB to this question, because in my radio experience it would seem to me it is possible the private stations may get a rough ride indeed before a truly independent regulatory body. With great respect to the Bench of this country, I can visualize a situation in which they may present a case before a very experienced judge who stands for no nonsense, and they may have a very much worse time than they have ever had before the benevolent gentlemen on the CBC Board. However, that is not very important; it is merely my view that they could have a very bad time of it if they had to prove many of those things about which now they only generalize. The essence of the thing is that it implies the private stations being co-equal with the CBC, and this does divide and destroy a national system which has hitherto been encompassed within the CBC framework.

Further, in that situation, the private stations would continue to grow. They would get more and more of the crop of the business, and the CBC less and less of the crop of the business. One frequently hears the suggestion made, together with this one -- not necessarily by people who agree with it -- the CBC ought to give up everything entertaining and just concentrate on serious stuff.



THE CHAIRMAN: We have heard that too.

MR. JOLLIFFE: Leave all the fun and the money to private enterprise; let the taxpayers foot the bill for a lot of dull, heavy programmes, seems to be the suggestion. That, too, implies the abandonment of the scheme of things which has been recognized for a long time.

May I add, and respectfully suggest, that it is not quite analogous with the railroads or with air transport. May I offer another analogy, not necessarily a good one, but I think one worthy of consideration, and that is the analogy of education. In my province, as in most provinces, education is the responsibility of the Provincial Department of Education, and it has very great powers in that field. This does not mean that we have abolished private enterprise in the field of education. We don't bar a private school. If people wish to send their children to private schools, they can, and you can operate a private school if you come up to certain standards determined by the Provincial Department of Education.

THE CHAIRMAN: . . . which is competing in the field of education?

MR. JOLLIFFE: Which may be said to be competing, yes. How did we get into this field publicly in the first place? Because, by and large, the education of our children is not a profitable field as a private enterprise, with a few exceptions. So, it was assumed as





a public responsibility. By and large, network radio in this country was not a profitable field, but it was a national need, so we got into it publicly. The place of private stations was recognized. We recognize it in education, but if the private schools of Ontario, or, for example, the gentlemen who are now licensed to operate technical training schools at a fee, if they were to come before some public body and say, "It is time we were recognized and it is time there was an independent regulatory body to adjudicate as between us and the Provincial Department of Education", they would be laughed out of court. They would be told, "You have a place. It is important and it may even be essential, but you are not co-equal with the public system." Without saying it is in every way analogous, I would say it is worth considering.

THE CHAIRMAN: Mr. Coyne, have you any questions?

MR. COYNE: I have one or two questions on mere points of detail, Mr. Chairman, the general principles having been brought out so effectively. First of all, Mr. Jolliffe, could you briefly draw, for the record, a line of demarcation between NABET and ARTEC -- is it possible?

THE CHAIRMAN: This may be one of your problems.

COMMISSIONER STEWART: This may be the \$64,000 question.



MR. JOLLIFFE: The relations between NABET and ARTEC are very good and friendly, and I know there are CBC management people who would put it much more strongly than that. I cannot, of necessity, because it would involve reading the definition of the NABET bargaining unit of the Canadian Labour Relations Board, and that would take longer than the commercial I read.

MR. COYNE: Well, do they overlap or represent different groups? Is there any competition between them?

MR. JOLLIFFE: I think I can be of some assistance here. The NABET group at CBC consists of the majority, it is safe to say, of the technicians, plus some people who perhaps should not be described as technicians. It consists of people like studio operators and attendants, transmitter operators, camera men, and so on -- a great many different classifications of that kind. Now, it follows naturally that all these people are directly under the engineering side of the Corporation; not the programme side, but the engineering side. On the other hand, the ARTEC unit, for which Mr. Wilcox spoke, represents a very large and diversified group of people who can best be described, I would say, as clerical employees, many of whom are in the programming department and are quite intimately concerned with the preparation of programmes in that way. There are other units with whom the CBC does business. You may be



interested in knowing what they are. Certain technicians are in a unit represented by the IATSE, and there are a few other smaller ones. There is a group from which I think the Commissioners have already heard, the wire service unit.

THE CHAIRMAN: We had them in Toronto.

MR. JOLLIFFE: Yes. There are also one or two small groups in Montreal which I need not go into. Then there are the musicians: a musician is somewhat different in that they represent artists who perform for fees -- at least in that capacity. That is to say, they may have a member who is on the CBC staff, but he has representation by the Actors Union, but this is with respect to his professional fees. The first group I mentioned bargain for wages and salaries in the trade union sense, and I might say all of these I have mentioned, including the musicians and those artists in the Newspapermen's Guild, are members of the Association of Radio and Television Employees of Canada, of which Mr. Wilcox is president.

MR. COYNE: That certainly clarifies a good deal my mind on the subject. Just going on quickly to page 6 of your brief, you are speaking on different methods of raising revenues, and you say:

"A licence fee or tax on each receiver, either on an annual basis or by way of sales tax, would constitute a nuisance which would be resented by many Canadians."





I think I can say that in representations before this Commission it is nearly the universal view that a licence fee would be a nuisance. There has been virtually no representation to the effect that a sales tax on a receiver is a nuisance tax, and I wonder if you could develop your notion on that one? Are you recommending the abandonment of the present excise tax?

MR. JOLLIFFE: Mr. Chairman, our position on that point is this: we do not urge either special favours or special penalties upon the purchaser of television or radio equipment. If I may make myself clear, on the one hand we are not asking for any recommendation that sales tax be removed on television receivers. We are not saying this is something really special and we ought to get a special break. We, however, do not see any justification for putting any special tax on television receivers any more than there would be a justification for putting a special tax on books because some of them contained entertainment. We think this notion of the special tax on television stemmed from the position no longer true where a minority had television receivers and could get television service. We think once the thing has become fairly general, once we approach national coverage, then there is no longer an argument for a special tax to finance the television service.

THE CHAIRMAN: Is this really a



special tax? Haven't we had taxes on, say, radio and other things from the beginning of time?

MR. JOLLIFFE: Yes, but there is a 15 per cent tax over and above the sales tax on television receivers, and we don't see the justification for it.

THE CHAIRMAN: There is also the same thing on motor cars, or certain parts of motor cars, and there used to be on electrical gadgets and jewellery and luggage.

MR. JOLLIFFE: Yes, there was a special tax on jewellery, I know. We are not asking for special consideration.

MR. COYNE: But, specifically, it follows from what you say that you think the present excise tax should be eliminated?

MR. JOLLIFFE: I would not want to be dogmatic about that. There has been no great demand for it as far as our organization is concerned, but at the same time there is no enthusiasm for it.

MR. COYNE: Is there any enthusiasm for any tax?

MR. JOLLIFFE: No, I don't think so.

MR. COYNE: Turning to page 8, the paragraph which begins just below the middle of the page:

"If it should be decided to license private TV stations in communities already served by a CBC



station, it is suggested that the private enterpriser be required to carry no less Canadian programming than the CBC station."

We have heard a great deal about the costly nature of producing television shows: is it entirely realistic to expect any private television station to operate at all if such a stringent requirement as you suggest is laid down?

MR. JOLLIFFE: It is not stringent. It does not suggest live Canadian programmes. It refers to Canadian programming. We visualize the possibility that a private television station which, if you like, may be competing for viewers with a CBC station, would take from the CBC station an alternative Canadian programme, perhaps live, perhaps a Canadian film. We are not here suggesting that the private enterpriser be required to carry no less live programmes than the CBC station, but no less Canadian programmes.

MR. COYNE: Well, in practice, today, is that a distinction?

MR. JOLLIFFE: Oh, yes.

MR. COYNE: You are speaking of filmed material available in Canada today?

MR. JOLLIFFE: We are speaking of material available from the CBC, some of which may be live and some of which might have been filmed previously, perhaps by the Film Board.





THE CHAIRMAN: You say might be available from the CBC. At the present time the demand we have for alternative television comes from Montreal, Toronto and Vancouver and nowhere else. Those four places all have CBC stations which are now carrying the full television production. Off hand, I would say they have enough to make a very satisfactory second network, those four stations. Now if they are to carry programmes available from the CBC, the CBC is already carrying them on their station to some places and it is going to put on a large amount of strain to have simultaneous programmes going out to some stations at the same time. Is it not analogous to what you have had?

MR. JOLLIFFE: What we are saying here is if you get a second station and the second station is going to carry afternoon programmes and evening programmes they will be showing a lot of old American films and we feel they should be obliged, at least, to carry some Canadian films.

THE CHAIRMAN: Putting it that way it makes a good deal of sense and what you are saying, and I think this is Mr. Coyne's point, part of the programming should carry no less Canadian programming than a CBC station.

MR. JOLLIFFE: That is our suggestion.

THE CHAIRMAN: And if were to say to you where would you get it you would say get it from the CBC and I say the CBC has nothing left over to give.



MR. JOLIFFE: I suggest, as of this moment, there are old Canadian films which have been run at earlier showings by the CBC stations and in the field of television there is such a thing as a re-run. There are films in the United States that have been shown on television and are being re-run for the fifth or sixth time for private enterprise in the United States and there is no reason why private enterprise in Canada cannot repeat some of the old films which people have not seen.

MR. COYNE: My point is only this and it only relates to the specific ratio that you suggest. In order to provide Canadian programming on the existing network at a given cost of production and distribution or on existing stations at a given cost of production, the small market to be served on such matters does not make for an economic proposition and the Canadian public are providing much of the funds for this purpose. Now, how do you expect that a private enterpriser can operate a TV station commercially in the face of those facts? Now, it may be he should be required to put on some Canadian programming but how in an unsubsidized operation can you expect him, realistically, at this moment to carry as much Canadian programming as the CBC?

MR. JOLLIFFE: This brings us back to what I mentioned earlier on the matter of film and I repeat re-runs are perfectly feasible and there have already been re-runs in Ontario. Series like Victory at Sea after having been shown to many of our people and having been seen by many



of our people from American stations was re-run in southern Ontario and seen again.

THE CHAIRMAN: You are implying that a second station would be analogous to a second-run theatre in the movie business?

MR. JOLLIFFE: There is a station in Hamilton at the present time that runs films that have been already seen. When you say the CBC has not yet the facilities for doing this, I would respectfully suggest those facilities should be created looking towards the day when there should be a second network.

THE CHAIRMAN: What it amounts to, is, you are not talking about live programming --

MR. JOLLIFFE: We didn't mention live programming.

THE CHAIRMAN: No, you are talking about the need of Canadian content on a second station and you say that necessary amount of Canadian programming is available at a reasonable cost.

MR. JOLLIFFE: I didn't say it was all to be Canadian. There is a great deal of British and Canadian film available today and some of it can be re-run.

MR. COYNE: And you are satisfied, if some such regulation of this kind was imposed as a matter of licensing, or some way, that a private station could, as a practical matter, live with such a regulation?

MR. JOLLIFFE: I have no doubt he could







get cash down American films cheaper than he could get Canadian, but we believe that effort could be made and if it is not made all you will get is a generation of young Canadians who are accustomed to viewing American films which have long since seen their day.

MR. COYNE: I think I get your point, anyway.

MR. JOLLIFFE: In any event, we are making a real plea for more Canadian films of merit rather than relying on imported films.

THE CHAIRMAN: I think Mr. Coyne's point is that you don't really make an effort if you create conditions that are impossible.

MR. JOLLIFFE: There are some Canadian films that have been produced over the years -- the Canadian Film Board have made some very good films.

MR. COYNE: Well, just one other point that arises in respect of one of your summarized recommendations on page 33. You say in No. 2 -- "Private networks should not be permitted in either television or sound broadcasting." My question is simply this. Should the private networks be prohibited by statute, which they are not now, or do you mean the CBC should not permit private networks in either television or sound broadcasting?

MR. JOLLIFFE: We don't think it should be permitted by the CBC which, at present, has the



authority to make a private network possible. May I qualify that by saying this. We are aware that there is a difference between a private network set up for a certain period and operating and one which is to be set up and there has to be a difference. We do not deny there may be occasions on which there is ample justification for creating a special network for a special purpose. It might happen on a series of occasions. We think that is something the CBC should decide.

MR. COYNE: So you are not suggesting a specific prohibition against private network should be written into the Act?

THE CHAIRMAN: Those are all my questions, thank you very much Mr. Jolliffe for being so patient in answering all our questions.



SUBMISSION OF A NUMBER OF  
CITIZENS OF KINGSTON, ONTARIO.

APPEARANCES:

Dr. H. M. Love

Dr. H. M. Estall

THE CHAIRMAN: The next submission is from a group of citizens in Kingston, Ontario and Dr. Love and Dr. Estall are here to represent this group.

DR. ESTALL: I will be speaking for the group Mr. Chairman, and Dr. Lowe is beside me.

THE CHAIRMAN : Perhaps I should repeat what I said before, that I regret having had to keep you so long, but it was a necessary delay. We will begin by marking your brief number 219 and as it is not a very long brief, perhaps you would prefer to read it instead of summarizing it.

DR. ESTALL : I may say to begin with that the brief is signed by ten persons, all of whom are living and working in Kingston and, as a matter of fact, all of them are described as earning their living by teaching at the university in Kingston, but I do not wish to give the Commission the impression that I am speaking officially for the University, and that is the reason they are described in this way.

EXHIBIT 219 - Brief of the group of  
Citizens in Kingston, Ontario.

DR. ESTALL - In view of some of the things





-that have been said earlier in the afternoon - and I might mention that we have no objection to the delay, since we have been entertained by the previous gentlemen and feel that many of the points we would have wished to make have been made far better by persons much more intimately knowledgable in the field of broadcasting and television.

We do live in the city of Kingston, and during most of my residence there, the broadcasting situation was that there was one local radio station. There was also one local newspaper, and the general impression is that these two are owned by the same group. The same group now operates the only TV station.

Previously there was a newspaper, a radio station and a TV station, but there has been now, for two or three years, a second radio station although there is no second television station. The Canadian Broadcasting Corporation has in the past 20 years brought into being an authentic Canadian radio fare with distinguished quality and a corps of producers and performers holding high standard of professional excellence. We may also say that the same thing is happening evidently in television. We have been delighted to see the way in which youthful zest and experimental daring are being encouraged and used by the CBC in its programming. On balance the CBC record is very good indeed. It is doing a first-rate job and a job that is vital to us, as a nation.



It has never been easy to create things in this country that are recognizably Canadian from one end of it to the other. The evidence is that such things are rarely, if ever, possible or profitable as commercial ventures. Current object lessons are before us in negotiations concerning trans-Canada highway and pipeline.

The Canadian Broadcasting Corporation is already doing some of the things which five years ago the Massey Commission wanted a Canada Council to undertake. We say this, not by way of suggesting that we can manage to get along without the Canada Council - it is greatly needed - but to praise the CBC for its achievements. The whole generation of young Canadian artists is making a place for itself in Canadian life, in great part thanks to the opportunities afforded by CBC television, just as CBC Wednesday and Sunday night Stages have renewed the vigour of the Canadian theatre. Television indeed, because it restores the missing visual dimension, can really bring a national theatre into being.

I may say that one of the signatories to our brief in particular, wishes me to stress that he saw a certain parallel here in Canada, in the way in which, for example, the national theatre and the national opera - and this is also true in Germany - is made possible through support coming out of the public purse. Now, whatever maybe





-desirable in terms of national theatre and national opera in this country, our geography is such that it would seem to us that if this sort of thing could be done by a media of mass-communication, it could be more effective for the Canadian public generally than by setting up shall we say, a national theatre in Toronto or Ottawa or Montreal.

The value of such achievements is not only to be measured by their mass appeal, though we have no reason to think that Canadians generally want only give-away contests and variety shows. In any case our role in world affairs and our dignity as a nation, increasingly oblige us to create and sustain informed and enlightened attitudes throughout the land. This means doing many different things, not all of which are universally popular or even generally approved. It means, for one thing, the sensitive and sympathetic interpretation of regional contrasts and diversities. It means programmes designed for use in schools. It means programmes designed for and using the talents of recent arrivals from other lands. It means beaming special programmes to our armed forces in Germany. It means supplementing the news of the day with responsible analysis and commentary not bound by allegiance to party or sponsor. And it means remembering always and acting always in the knowledge





that ours is a land in which two languages are equally at home. These things the CBC has done and is doing. They cannot be done for us from New York or Hollywood. They will not be done as well, if at all, by private radio, because they cannot be counted on to produce revenues.

Now we come to the matter of financing of Canadian radio and television and we make no recommendations there, in detail, as to how much is needed or how it should be raised, except that it does seem to us to be a legitimate cost to be paid for out of the national treasury. However it is, every bit as legitimate a cost as the tariff or the army. Let us not be distracted from seeing this clearly simply because of the entertainment which we get from radio and television. Of course we want to be entertained, among other things; but, willing as we may be individually to buy our own entertainment as we please, it is economically impossible to distribute radio and television services throughout our country except as part of a nationally subsidized system. Even now, those who live in or near the large centres of population are offered much more varied fare than their fellows further away. If radio and television were to be offered only where there is a reasonable chance of breaking even or showing a profit, it is clear that the



smaller and remoter places would get no service at all.,        Considerations of equity combine with a lively regard for the healthy growth of Canadian culture to justify substantial outlays from the national treasury in support of the CBC.

Now we come to the matter of competition as between private stations and the CBC, and this has a bearing on the matter of regulation. Speaking from the local level and in terms of our day to day experience at that local level, we are not offered a competitive alternative between either private stations or CBC programmes. Insofar as you have competition at the local level, it seems to be competition between two private stations. Now it is true, as in the case of Peterborough, which was mentioned earlier, that they were fortunate in having excellent equipment and locality. You could also listen to stations elsewhere, but in the city of Toronto it is very difficult to get Ottawa and so on, and in some cases it is difficult to get Montreal and there is a tendency to get an American programme.

I suppose most of us listen to one or other of the local stations, both the private programmes and the CBC programmes that come to us through the same station. One of them is on trans-Canada network and the other is on the dominion network. It is



this sort of relationship though, which has been called a partnership earlier today, and which may develop. This sort of symbiotic relationship though it may generate its quota of domestic tension, seems to us to be a way of making the best of two worlds. We get the news-cast, that is the national newscast, and we get the local hockey game. On this point I may say that the local hockey game is of great importance locally. We are occasionally finding that we cannot get the national news-cast because permission has been given, presumably, to dispense with the national news in the interests of following the local hockey game. I personally am not very happy about that, but it does occasionally happen. We also find out what is going on in the United Nations and the city council. We cannot see that this confluence of programming from public and private sources threatens the existence of the local station. Quite the contrary. It doesn't appear to us that the local station is in any danger of going bankrupt, and its reputation for providing good programmes is probably enhanced far more than its own creative efforts warrant.







We now come to the tricky problem of regulating both the allotment of time as between programmes originating publicly and privately, and the interjection of spot advertising. It is difficult for the average viewer or listener to check up on this because he is not usually familiar with the existing regulations and is not watching with stop-watch in hand. I might say that Dr. Love has been doing some work in this matter, doing a little monitoring on occasion to see how much spot advertising there might be in a certain period of time. I do not know whether he has had patience enough to listen for a whole day. Our impression is that the amount of spot advertising in a programme has perhaps not increased recently but even may have become less; whether it is because local stations now are trying to adhere more to the spirit of the regulations or whether it is not getting enough advertising in view of the transfer of some of it to the other station or to TV is a matter that is open to investigation.

We are not entirely impressed with the arguments advanced in support of a regulatory body independent of the agencies engaged in providing programme. It is true that the tasks of policemen and competitor do not belong properly in the same hands. But from where we sit, as we have said, the CBC does not seem to be in competition with private stations. I might say before Mr. Jolliffe finished this afternoon I had intended to cite



as a suitable analogy the situation with respect to public education and private schools in Ontario. I am now simply endorsing the appropriateness of the analogy which he used which seems to me at least as just as the example which is often cited of railway commissions. We must now add, it does not appear to be very vigorous in regulation either. Partly, we suspect, this is because the department of the CBC which is responsible for maintaining good station relations is also charged with upholding the regulations. The army does not make the mistake of combining the duties of Provost and PRO.

A regulatory body which was not itself experienced in the day to day tasks of programme production might, it seems to us, all too easily be inept and officious. What is most needed is more widespread acceptance of the idea of quality control built into the daily radio and TV product. As far as our observations go, CBC producers generally catch this idea in the course of their work, whereas local producers too often lack either the wit or the incentive to grasp it. Nonetheless, the mixed system we have evolved in this country cannot hope to function without some disputes arising. Machinery for their adjudication readily and impartially should certainly be available and in use.

Any candid reflection on this matter of



controls must, we think, ultimately yield the conclusion that what is really at issue is the conception of what ends radio and television serve. Both media can be powerful and effective means for advertising and selling all sorts of wares. To the extent that the sales motive prevails, we can expect entertainment and edification to be laid on just in those shapes and sizes which will yield satisfaction to sponsors. If hockey games will sell gasoline then let's clear Saturday night for hockey games. If insurance prospects want football, give them football. If "think pieces" will sell cars, then let's call on the professors. It follows, we think, that in these circumstances the kind of regulation required is the regulation appropriate to the marketplace. One cannot in decency and fairness make one merchant responsible for devising and enforcing the regulations to which all are subject. There may be some value in distinguishing kinds or levels of regulation. For instance, the regulation involved in the day to day operation of programming, seeing to it that there is not the kind of violation that Mr. Jolliffe amused us with this afternoon, this seems to me to be one thing but the regulation involved in, shall we say, assigning channels or wave lengths or deciding whether there shall or shall not be a second station in a given area, this seems to me to be rather at a different level and it would seem to me possible that one might separate such regulatory functions from day to day operations.







THE CHAIRMAN: In other words, you are drawing the distinction between listening types of regulation and operating types of regulation?

MR. ESTALL: Yes.

THE CHAIRMAN: And I suppose even in operating there are different kinds of regulations too, as to the exact meaning of "regulation" and what you mean by it, I suppose there are operating regulations which are like the length of spot announcements and they are fairly precise and there may be other things which may be called regulations going to the make-up of the programme, not advertising but the actual setting up of a network, for instance, it must follow some kind of regulation.

MR. ESTALL: Yes, I would think the designation as being a community programme rather than a commercial one, for instance, might be one where there would be a difference of opinion.

THE CHAIRMAN: Yes, that is the kind of thing. Also I am thinking of the straight mechanical regulation that if the network is going to put on a programme you might have to say that at such and such a time the lines have to be cleared.

MR. ESTALL: The whole amount of time that the station should operate is another matter.

THE CHAIRMAN: Yes, there may be a dozen different levels of regulation involved in this?

MR. ESTALL: Yes. Our point would be, at least it seems to me this, that at least at some of these levels, at the lower levels particularly



perhaps they can only be operated efficiently by a body that is intimately acquainted with the day to day operation of radio and it could hardly be operated effectively by a neutral body of a semi-judicious character.

But we are not content with a sales conception of radio and television. It seems to us that what we see and listen to should please and inform and move us as civilized human beings, not simply as potential customers whose sales resistance can be undermined right in our living rooms. We want tales to be told and songs sung and news reported and discoveries shared and games played and public affairs publicly conducted because, after all, this is the stuff of human life, and radio and television are wondrously contrived inventions for heightening and extending our enjoyment of them all. We can attend the Coronation and the Olympic games and the Stratford Festival; we can go to church or to school or to parliament or to the ballet or to the ball park as well as, but not necessarily on the way, to market. That we should pay the price of admission is granted. That we should get all these things for free in return for buying soft drinks or soap or cigarettes is so much eye-wash. The air waves do not belong to the advertisers. We trust the Commission will keep them in the public domain with the CBC as trustee.

THE CHAIRMAN: Thank you.

MR. COYNE: I have just one or two questions, Mr. Chairman. Dr. Estall, on page 3 you are dealing with the particular situation in Kingston and



you point out that there appears to be a competition between two private stations; I suppose in that situation you could hardly even say that the CBC competes in any sense even for audience which is one of the fields of competition that is sometimes put forward to us.

MR. ESTABL: I should suppose that it may be possible that there may be a little competition. It may occasionally happen that a small fraction of the audience would tune its set to CBL if it could reach it but this is negligible. Virtually all the CBC programmes would be heard on their transmission through a local station and I think that would be 100 per cent true in TV programmes, CBC programmes.

THE CHAIRMAN: That may be quite an important point on this competition for audience we tend to look at the place we happen to be and if there is a CBC station at that point there is then competition for audience but there are many communities in Canada where there is no CBC station.

MR. COYNE: That is the point I had in mind and this might be quite typical of communities about the size of Kingston.

MR. ESTALL: I would think it would be equally true of Peterborough.

THE CHAIRMAN: Yes, that was the evidence earlier.

MR. COYNE: You said that each of the private







stations was affiliated with a CBC network, one with Trans-Canada and one with the Dominion. One of the suggestions that has been made to the Commission is that the tremendous development of television and the inroads upon radio audiences and that sort of thing and radio revenues, it may not be practicable to continue the two radio networks. In particular it has been suggested that the Dominion network is a less extensive or less healthy operation in its present circumstances. Would you care to express any view as to what might happen, looking at the Kingston scene, if the Dominion network were dropped?

MR. ESTALL: Well, assuming that just happens and no other compensatory arrangements were made, I should think the second station would be in a difficult position, it would be entirely reliant, I suppose, on its own sources for the production of programmes and my impression is that its programme offering would suffer and I should think it would lose its audience to its competitor. It is already in a somewhat disadvantageous position in this respect that if one wishes to know what is available on it, on radio or television, one can consult the paper and discover what the programme on CKWS is but will not discover what programmes are offered by the other station so the only way one can discover it is to listen to it.

THE CHAIRMAN: Do you mean the radio programmes carried in the Kingston Whig Standard only



covers their own station?

MR. LOVE: I have attempted in a number of cases to discover if there is any reason for this and I have not been very successful.

MR. COYNE: The newspaper does not charge --

COMMISSIONER STEWART: They carry those as public service, do they not?

MR. ESTALL: I think that is the rule, yes.



MR. LOVE: Mr. Chairman, I have tried on a number of occasions to find out if there is any reason for this, but I haven't been very successful. The people at the newspaper refused to answer any questions.

COMMISSIONER STEWART: The newspaper carries this as a public service as a rule.

MR. ESTALL: I would presume if the local station wishes to buy it as a local programme, the newspaper would sell that space to them.

THE CHAIRMAN: I am thinking of the experience in Montreal where the radio station is not in the hands of the Montreal Star or Gazette, but it seems to me they carry a complete programming as a public service.

MR. ESTALL: Well, this programming is a public service. It doesn't appear as paid advertising, but programmes of CKLE never appear.

MR. LOVE: It would have on occasion, possibly, the advertisements from CKLE, but there isn't in the Kingston local newspaper a listing of the available radio programmes in the community.

MR. ESTALL: At one time before this second station was set up in Kingston the Kingston Standard as well as full details of CKWS used to carry a summary of programmes on the Trans-Canada and Dominion and American networks. They discontinued it a couple of years ago. Since then they just carry programmes for CKWS. One should say in fairness to the local paper this does not apply to TV programmes. They carry the





programmes for CKWS-TV as well as American stations.

THE CHAIRMAN: But there is no television station in or around Kingston competing for television advertising with that TV station?

MR. ESTALL: To some extent the American stations do compete because they accept advertisements from Kingston merchants.

MR. COYNE: Is that a small factor or is it substantial? Watertown, for example; is there any significant portion of Canadian advertising?

MR. ESTALL: No, just small.

MR. COYNE: I wonder if you would comment on one sentence at the bottom of page 4:

"A regulatory body which was not itself experienced in the day to day tasks of programme production might, it seems to us, all too easily be inept and officious. What is most needed is more widespread acceptance of the idea of quality control built in to the daily radio and TV product."

I wonder if you would expand a little on the idea you have in mind there.

MR. ESTALL: I think I was going partly by my own experience there. I have on occasion participated in radio programming talks and I have done these both in CBC studios in Toronto and other places, and have done them in the local station, and in my judgment there is really no comparison between the kind of assistance that the performer



gets from the producing staff in the CBC and at the local station. At the local station he is on his own. He watches the clock, he does everything, and if he is inexperienced I think the amount of assistance in improving his style that he would receive is negligible.

MR. COYNE: I suppose to a considerable degree that would reflect the difference in the size of the operation?

MR. ESTALL: Yes, of course, but the sense of professional skill in the production of a good product at the local level, speaking from my own limited experience, seems to me to be not very great, and I would think it could well be improved. That is what I had in mind.

THE CHAIRMAN: I asked a few questions as we went along, and I don't think I have any more to ask. I am very grateful to you for coming today, and I wish you would convey to the members of the committee our appreciation, and we will consider your brief.

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SUBMISSION OF  
CHAMBRE de COMMERCE de MANIWAKI

Appearance:

Mr. J. Rene Thibault, President

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THE CHAIRMAN: We now have a submission from the Maniwaki Chamber of Commerce. Have you anybody else with you, Mr. Thibault?

MR. THIBAUT: Yes, I had Mr. J. Lemieux, but he has gone. However, I think we can go through the testimony.

THE CHAIRMAN: Mr. Thibault, feel quite at liberty to make your remarks in French if you prefer it. Unfortunately, I will have to question you in English, but if you speak slowly I will understand you in French, and Mr. Stewart likewise. Mr. Turcotte, of course, is completely bilingual. I should say at the outset of your brief that I read it last night, but I am inclined to think that in most of its aspects it lies outside our Terms of Reference. As I follow it, you are asking for a relay radio post to serve the Maniwaki district, which is a matter of a particular licence in a particular place, and this Commission is not technically qualified to deal with matters of licensing, nor are our hearings adapted to hear the pros and cons of licensing. Therefore, while we are interested in knowing of deficiencies in service, the particular question of whether or not there should be a licence,





or whether technically there can be a licence, does lie outside our Terms of Reference. I want you to realize that before you start. We will begin by marking your brief as Exhibit No. 220.

EXHIBIT NO. 220: Brief of Chambre de Commerce de Maniwaki.

THE CHAIRMAN: Will you please to proceed to outline it for us?

MR. THIBAUT: I represent the Chambre de Commerce de Maniwaki, and this is the report that was given to the Chamber of Commerce by a committee that was formed by them, and we have the names of the members of the committee at the top. They are myself as president, Mr. J. Lemieux, Mr. Gerald Nault and Mr. Robert J. Branchau. This report was made, and there is a map of the region there attached to the report. It is to ask CBC to supply us with a relay station on the French network of CBC, because we have no reception in French up at Maniwaki which has a worthwhile population. This region is approximately thirty miles in radius, and the population is 20,450, which is a little more now, because this brief was prepared about a year ago. I would like to mention here that in that part of the region we have officially registered 62,000 vehicles in the last twelve months that went through the park, and also 307,000 people went through there. Those are registered ones, but there are more than that because some have not been registered. I mention this to give you the importance of this



part of the country. The radio sets in use are approximately 12,000. That region is not served officially by any station at any time. The distance from Ottawa by air is 70 miles. The population is 84 per cent French-speaking and 16 per cent English-speaking. The French reception is mostly from CKCH in Hull. It is very difficult to synchronize during the day, and it is no good after seven-thirty, with the exception of days when the weather is favourable to the transmitting of the signals. The closest station is CKCH which broadcasts approximately forty miles above Hull, which is about thirty miles below Maniwaki. The interference we receive from this station as well as the English-speaking station is tremendous due to the fact that we have to open our volume on the receiver so high that we pick up at the same time all the local interference with the signal, which makes it very bad. I would like to mention that after seven-thirty at night either the English or the French stations are just about not being picked up at all. The American stations are stepping over them and all we can receive are American stations. We have studied also the possibility of a private station in Maniwaki, but in our opinion such a project is not to be suggested at the present time because of the fact that our industries are not numerous enough, although we have four more now than at the time this was published, and they don't use the radio for publicity. Our industries mainly are



pulp, tourist and agriculture; and there is also the cost of putting up a private station and the maintenance of such an enterprise would not be commendable at the moment, due to the fact that there are quite a few organizations which we have to support. In consequence of these facts we have recommended to the Board of the Chamber of Commerce to take steps to ask CBC for a relay station there on the French network. I mention the French network here because we have had no complaints from the English-speaking citizens, but if it so happened that the English-speaking citizens asked for something similar, well, of course, we would have to go along with them. That could serve all the population in the district shown on the map there. Such a station could be installed at the central point, which is the Canadian Pacific Railway station, and would be the most logical spot.

There is a correction I would like to mention here: there is a letter here which was written to Mr. Paul Pelletier on the 8th of April, 1956. I wrote that letter myself and I misinterpreted the results of that inquiry. I was informed of it, and I would like to make a correction on this. According to our demands for the erection of a relay station in Maniwaki on the French network, we have made an inquiry among all the different organizations and they are in favour of asking for a relay station from the CBC system, or else they will accept a private station providing that they actually receive good







reception on the French network of the national radio system or CBC system.

THE CHAIRMAN: In other words, you don't care what the ownership of this relay station is so long as it carries a French language programme?

MR. THIBAUT: That is right. That is as far as radio is concerned, and I have mentioned the population over there and also the interest this thing has, and the number of people who pass through it. There is also the general complaint that there is poor reception in that particular area. The biggest complaint comes from the fact that the United States stations pass over the other stations.

COMMISSIONER TURCOTTE: Where do they come from?

MR. THIBAUT: WOWO covers CBF, Montreal, and there is also another station which covers CKCH. The only station we get there is CFRA.

THE CHAIRMAN: Where is that?

MR. THIBAUT: In Ottawa, and I believe that they have the same output as CKCH, but I think it is because it is on 550 kilocycles, and I think that is the reason we don't receive it.

THE CHAIRMAN: Just so that I understand it, the American stations which you get and which you can hear, you get a clear signal from the American stations?

MR. THIBAUT: Yes.

THE CHAIRMAN: So that what it amounts to is that this area is unserved by Canadian signals but is getting fairly good reception on



American stations?

MR. THIBAUT: That is right. I believe the American stations may have a bigger output, or maybe they have the preference on these frequencies on a bigger output.

MR. de GRANDPRE: You don't know the cause, but you feel the impact?

MR. THIBAUT: That is right.

MR. COYNE: Do you prefer to answer the questions in English or in French?

MR. THIBAUT: It does not matter.



Me DE GRANDPRE: Monsieur Thibault, est-ce que vous aviez fait des représentations au bureau des gouverneurs de Radio-Canada avant que cette enquête-ci soit instituée?

M. THIBAUT: Nous avons fait plusieurs représentations, mais il y a beaucoup d'organisations qui ont fait des demandes, des organisations locales, et cela fait déjà plusieurs années que les demandes sont faites, l'une après l'autre, et c'est enregistré à Radio-Canada, et en l'occurrence, c'est Radio-Canada qui nous a demandé de vous soumettre ce mémoire-là, pour vous demander d'approuver qu'un poste de relais de radio française, de Radio-Canada soit installé à Maniwaki, dû au fait qu'elle n'avait pas d'argent, et que apparemment c'était la Commission qui devait en décider.

Me DE GRANDPRE: Alors, depuis déjà plusieurs années ces représentations ont été faites au bureau des gouverneurs de Radio-Canada?

M. THIBAUT: Ah! ça fait au moins deux, trois ans, au moins trois ans.

Me DE GRANDPRE: Est-ce qu'à votre connaissance des enquêtes ont été menées dans la région et qu'on a fait une certaine étude du territoire à desservir?

M. THIBAUT: Je le crois, je ne suis pas sûr.

Me DE GRANDPRE: Voici pourquoi je vous pose cette question-ci, parce que vous êtes assez spécifique quant à l'endroit où l'on devrait localiser ce poste, vous dites que cela devrait être à la gare du Pacifique-Canadien, et je me demande s'il y a une





raison particulière pour laquelle vous faites cette mention-là?

M. THIBAUT: Non, c'est parce que je sais que Radio-Canada a des engagements pour certains câbles qu'il y a là...

Me DE GRANDPRE: Vous ne savez pas si c'est l'endroit qui serait le plus logique pour desservir le plus grand rayon possible, avec un seul poste de relais?

M. THIBAUT: C'est-à-dire que s'il y avait une étude de faite là-dessus, probablement qu'un autre endroit serait recommandé. Nous l'avons simplement suggéré parce que c'est le terminus du chemin de fer, c'est là que la ligne finit, et c'est dans le centre de la ville de Maniwaki.

M. TURCOTTE: C'est-à-dire que vous n'auriez pas besoin de ligne de transmission pour votre relai?

M. THIBAUT: C'est ça.

M. TURCOTTE: Lorsque le relai est plus loin que la ligne de transmission, on prend cette ligne principale, on y ajoute un fil pour aller à un endroit...

M. THIBAUT: C'est ça.

M. TURCOTTE: Dans ce cas-là, il n'y aurait pas de fil à payer?

M. THIBAUT: Non.

M. TURCOTTE: Vous auriez peut-être besoin de plus d'un poste, parce que vous n'ignorez peut-être pas que les postes de relais n'ont qu'un rayon de douze milles en dehors, et vous parlez de trente milles de diamètre?



M. THIBAUT: Oui, trente milles de diamètre.

M. TURCOTTE: Maniwaki se trouve dans le centre?

M. THIBAUT: Dans le centre, oui.

M. TURCOTTE: Alors, on peut dire qu'un poste suffirait, à peu près?

M. THIBAUT: Oui, c'est-à-dire que vers le nord de Maniwaki, ça pourrait desservir plus long. Quand vous partez de Maniwaki, le premier endroit que vous avez, c'est Val d'Or, c'est 180 milles; cette distance-là de Maniwaki à Val d'Or est peuplée tout le long, vous avez des villages, Montcerf, Grand Remous, Chute Rouge. Maintenant, à vingt-cinq milles au nord-est, vous avez Mont-Laurier, qui a une population d'au delà 6,000 personnes, qui n'a aucun poste, qui est dans la même situation que nous, ce qui veut dire qu'un poste de relais desservirait Mont-Laurier et Maniwaki.

M. TURCOTTE: Alors, il en faudrait un autre?

M. THIBAUT: Il en faudrait un autre à Mont-Laurier, et vous avez à Mont-Laurier la gare du Pacifique-Canadien qui est le terminus du trafic qui vient de Montréal, parce que Maniwaki est le terminus de la Gatineau.

M. TURCOTTE: C'est la Gatineau?

M. THIBAUT: Oui.

M. TURCOTTE: Vous dites aussi, vous parlez du poste CBF, vous parlez des postes que vous pouvez entendre assez bien. Dans votre mémoire, vous parlez de réception d'intérêt régional des postes CBF, Montréal, et CKCH, Hull. Comment entendez-vous CBF, assez bien?

M. THIBAUT: On l'entend moins bien que Hull,



parce que c'est à peu près la même chose, ça s'équivaut.

M. TURCOTTE: C'est-à-dire le soir vous ne l'entendez pas?

M. THIBAUT: CBF interfère; WOWO nous coupe CBF.

M. TURCOTTE: D'où vient ce poste WOWO?

M. THIBAUT: Dans le sud des Etats-Unis?

M. TURCOTTE: Dans le sud des Etats-Unis?

M. THIBAUT: Je sais que c'est là, mais je sais pas où, exactement. Je le savais, mais là, je ne l'ai pas, de mémoire. Maintenant, je crois que vous avez une idée générale, à quoi cela se résume. C'est surtout d'avoir une réception de radio sur le réseau national, pour qu'on puisse capter, pour qu'on puisse suivre les programmes.

M. TURCOTTE: En somme, c'est une question d'argent?

M. THIBAUT: C'est fort possible.

M. DE GRANDPRE: Je vais vous poser la même question que j'ai déjà posée en d'autres endroits où la Commission a siégé, au point de vue radio et télévision, s'il y a possibilité d'installer seulement un de ces deux services, étant donné que vous faites deux demandes, est-ce que votre région trouverait qu'il y a avantage à être desservie d'abord par la radio, ou si vous préféreriez que la priorité soit accordée à la télévision?

M. THIBAUT: Les deux sont une grande nécessité, dans le moment. Simplement, en ce qui concerne la télévision, nous avons un système communautaire qui dessert une bonne partie de la ville même de Maniwaki.





Me DE GRANDPRE: Est-ce que c'est le système communautaire de Mont-Laurier ou de Maniwaki?

M. THIBAUT: Non, Maniwaki. Maintenant, la population de Maniwaki est desservie, très bien, mais la population régionale est d'environ 20,000, et alors le système communautaire ne peut pas desservir une population de 20,000; il dessert à peu près 6,000 personnes. Alors, la question de la télévision, c'est une question au même point de vue que les autres.

M. TURCOTTE: D'où viennent les programmes sur le système communautaire de télévision?

M. THIBAUT: Les programmes viennent d'Ottawa, canal 4 et canal 9.

M. TURCOTTE: On peut capter le canal 4 là-bas?

M. THIBAUT: Oui.

M. TURCOTTE: CBFT?

M. THIBAUT: Oui.

Me DE GRANDPRE: Avez-vous une antenne communautaire?

M. THIBAUT: Oui. Si vous regardez dans le mémoire, le graphique, il y a un autre mémoire sur la télévision, je ne sais pas si vous voulez le regarder tout de suite, ou si vous voulez en finir avec la radio, pour commencer.

Me DE GRANDPRE: J'ai compris de vos remarques que ce que vous avez dit relativement à la radio s'appliquaient aussi à la télévision.

M. THIBAUT: Je sais pas, il y a des choses qui sont un peu différentes, quoique si vous préférez, Monsieur le président, la question de la télévision, je peux continuer tout de suite. Vous avez un



graphique ici, des montagnes, vous avez d'Ottawa à Maniwaki. Vous voyez que là le canal 4 est à 606 pieds au dessus du niveau de la mer à Ottawa, et puis vous voyez à peu près à moitié chemin les montagnes qui vont jusqu'à 1,400 pieds; cela va même jusqu'à 1,800 pieds, pour redescendre à Maniwaki à 570 pieds plus bas que le niveau. Maintenant, si vous regardez la petite "map" qui accompagne le graphique, en dessous, vous allez vous rendre compte, juste à côté de cette ligne-là qui affecte notre région. Vous avez ici, à Ryanville, là où la ligne du bord de Maniwaki passe, vous avez 1,800 pieds. Alors, cela veut dire que dans la région et puis à droite de Maniwaki, ils sont affectés. Maintenant, nous avons fait demander à des experts en télévision s'il n'y aurait pas de possibilité que peut-être, sur un de ces points-là, un poste de relais de télévision soit installé, qui pourrait desservir Maniwaki et Mont-Laurier, étant élevé, et ce qui nous a donné l'idée que cela serait bon, c'est le fait que si vous regardez dans le mémoire de la télévision, vous allez vous rendre compte qu'à soixante-dix pieds de haut, la réception avec une antenne ordinaire, sur le toit d'une maison et de hauteur moyenne, soixante-dix pieds de terre et 640 pieds au dessus du niveau de la mer, le signal capté est de 28 micro-volts sur le poste français. La même antenne, quand elle est placés au même poste, à la même distance du poste, mais à 750 pieds de hauteur, le signal moyen est de 120 micro-volts.



THE CHAIRMAN: Mr. de Grandpre, I don't want to interrupt this, but this is all the technicalities of whether or not it is a suitable place for a television station, and we are not going to get into that in this Commission.

MR. THIBAUT: We were asked to send this brief to you.

THE CHAIRMAN: By whom?

MR. THIBAUT: By CBC.

THE CHAIRMAN: How did that come about, Mr. Keddy?

MR. KEDDY: I think the interpretation is slightly different in that the Chamber of Commerce has been told that the Corporation has not moneys to extend its services and could not, until new financial arrangements were made following the report of the Commission, extend this service.

THE CHAIRMAN: As long as you understand. We appreciate your trouble in preparing the brief and coming here. I hope you do follow what I mean when I say we are not able to deal with the particular question of location of stations. We are, however, interested in the general evidence of the need in your area for, particularly, radio service, and this must be taken into account in connection with the provision of finances for the Corporation. If they can be provided with sufficient to make the extension of service possible, then you will have to come back to the Board of Governors for the particular licensing arrangements and services. We cannot,





obviously, deal with the technicalities of where a station ought to be or how it ought to be served.

MR. THIBAUT: No, I admit that the technicalities of the question should not enter into this Commission, and I can say now, I didn't know before, but the fact that we are making a request for a relay station -- does that apply to your Commission?

THE CHAIRMAN: The fact you are lacking in service is a matter we have to deal with.

MR. THIBAUT: Yes, that is what I mean.

THE CHAIRMAN: The fact as to whether or not it is technically or physically practical to put a station there, and where it ought to be placed, is not something that we can get into, but your brief is valuable to us on the rather special point that you are pointing to a place where a considerable number of Canadians are living and where they do not get satisfactory service in radio. That is important, but I am just saying now you should not put out in your report of the Commission as saying there ought to be a service established in Maniwaki, because we don't get into that kind of situation. We thank you for coming.

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SUBMISSION OF  
NATIONAL BALLET GUILD

Appearance:

Mr. A. G. S. Griffith, President

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THE CHAIRMAN: The next brief is that of the National Ballet Guild, and we will mark this as Exhibit No. 221.

EXHIBIT NO. 221: Brief of National Ballet Guild.

THE CHAIRMAN: I think we have all read the brief, Mr. Griffith, but it would be helpful if you would just give us the essential points of it.

MR. GRIFFITH: Yes. Mr. Chairman, I think that this whole brief can be summarized by saying that ballet is a late comer to the arts, as the Massey Commission expressed it, but it has shown amazing growth in Canada. There are, as the brief states, 800 teachers with over 16,000 students of dancing in this country, and almost that entire role has taken place in the last very few years. As far as we are concerned in the field of broadcasting, there is really only one agency I think we are concerned with and that is the CBC, because the CBC is the only agency with either the facilities or, I think it is fair to say, the inclination to transmit ballet over the air. Ballet



is probably the most expensive of all the theatrical arts to produce, and for that reason, if for no other reason, the private citizens are just not equipped to deal with it. The CBC has already done a very fine job in helping ballet, or, more particularly, the National Ballet Guild, fulfill one of its chief objectives which is to bring ballet to all parts of Canada. In view of the limited facilities for showing ballet throughout the country, television is, of course, an important medium. The CBC has each year added to the amount of ballet it has televised, and the producers are making an important contribution to the development of dancing through the production of ballets and by employing individual dancers and choreographers, and I believe the CBC is much to be commended for the encouragement it has given. The CBC has also contributed to another objective of the Guild, to give full-time employment to its dancers. Ballet is one of the arts which cannot possibly be done part-time. You cannot achieve top standards unless you are at it full time.

Finally, the Canadian Broadcasting Corporation has contributed to the revenues of this enterprise by putting on ballet shows from time to time.





MR. GRIFFITH: It is perhaps not too widely known that the National Ballet Guild had expenditures this year of \$416,000, and an estimated box office of about \$300,000, and there is a deficit that has to be met by either private manifestations or by outside projects, of which television is an important one.

Ballet is presented on TV in basically three ways. There are certain ballets which are especially designed for television and some of this work is now being done by the CBC. Ballet can be televised from a theatre stage, but this is not always very satisfactory, but the CBC has done this for the National Ballet on three or four occasions. Part of the Casse Noisette was televised at Shea's Theatre in Toronto for broadcast on the NBC programme Wide, Wide World.

The last method is the adaptation of ballet from theatre to production for television studio. In the telecast of Sadler's Wells Sleeping Princess, which was a superb work, in December 1955, a great classical work was slightly modified for the studio but it retained its major qualities which have made it a continuing success of the stage. A production of this magnitude and excellence could not at present be done in Canada because there is no studio of adequate size, or other equipment.

Now, the question I would like to raise on behalf of the Ballet Guild is what can be done or should be done to extend this



type of work? In our opinion ballet is indifferent on TV unless it is properly produced. There is less room for mediocrity than in the presentation of other forms of art. The CBC has done an excellent job with the facilities at hand. We feel these facilities are most inadequate. We think the development of first rate facilities, speaking for ballet, would bring increased returns. The telecast I referred to a moment ago by the Sadler's Wells of Sleeping Princess had, reportedly, an exceptional rating comparable with the finest entertainment. We feel, for example, if the CBC had full facilities to do something like Swan Lake it would, of course, be a very bold measure but a very excellent one. We feel there is an excellent chance of that being distributed in the nation.

And that brings me to the next point. The National Ballet last year visited twenty American cities and everywhere we went we were asked to produce the full length Swan Lake, as we were the only company in Canada producing it at the present time. You might ask how a Canadian company could hope to achieve such a thing, and I actually hesitate to be so un-Canadian as to wonder that a domestic project could achieve such a high standing. We really feel, if the CBC had the facilities to do a work of this sort and to distribute it in the United States the acceptance would be quite overwhelming. I don't know whether you saw,



Mr. Chairman, a review by Mr. R. A. Farquharson, after the visit of the National Ballet to Washington about a month ago. I would just like to quote one or two parts of it, if I may. He says:

"They played fourteen nights in the Carter-Barron amphitheatre here which seats 4,500 and despite the fact they completed with the Democratic Convention they drew more columns of space in Washington papers than any ballet has drawn before. Already Washington is talking about next year's engagement.

I doubt whether there is any realization in Canada or abroad of the importance of the ballet as the principal emissary of Canadian culture in the United States. Next season the company's tour will take dancers to Florida, to Texas, to the middle west. Every member of the company is a Canadian and this fact has not been lost in the publicity. There are two former Americans who have taken out Canadian papers.

"In everything in the arts except ballet and Shakespeare, Canadians have long been fighting a rearguard action to preserve something that is our own. Canadians here are being asked why our country should so suddenly have







reached such heights on the classical stage and classical ballet. I wish someone would provide an easy answer."

Then I skip a little and just give you the end of it.

"My next-door neighbour is in the State Department with previous service in Russia. She reports that in the State Department, where officers have seen ballet in the world capitals, the visit of the Canadians has provided a lot of pleasant conversation. She regards the ballet as the best outside of Russia in the world today and definitely rates it above Sadler's Wells.

"How one ballet rates with another is, of course, a matter of personal taste. But there is one point on which Canadians here are all agreed: no more attractive group could fly the flag of Canada. And fly it they certainly do."

I think that is pretty obviously a plug for the ballet; I mention it to illustrate my point because I think we sometimes do not put a proper value on what a Canadian enterprise of this kind can do outside of Canada.

THE CHAIRMAN: When you talk, Mr. Griffith, about facilities, I take it it is not only the facilities of the time and money involved but there is a technical, physical facility of an adequate stage and adequate type of place in



which you can put this on. Is that correct?

MR. GRIFFITH: Yes, that is true, and also, we think that the personnel CBC have been able to attract are extremely good considering the financial limitations under which they labour. There is no doubt, to put on a work comparable to the Sleeping Princess, which did have a fantastic reception in the United States, extremely competent personnel are needed as well as these facilities you mention.

COMMISSIONER STEWART: Competent personnel, camera men --

MR. GRIFFITH: I wouldn't say that -- production people. You see, you cannot just take a work like Swan Lake and simply transmit it to ballet, it has to be modified and it is in the modification, in the production, that good experience is needed.

THE CHAIRMAN: Are you thinking of such things as camera angles and whether you are too close or too far away ---

MR. GRIFFITH: Yes, I can't tell you too much about the technicalities, I am not a technician.

THE CHAIRMAN: And you are not a ballet dancer, either?

MR. GRIFFITH: Not yet.

COMMISSIONER STEWART: You used the words, to modify the ballet to suit television. In other words, you would have in your company those people who could advise on the technical



end of it, and then CBC, with their knowledge of what is a good presentation, give your people the benefit of their knowledge of television and between the two bring out something?

MR. GRIFFITH: That is what is done at the present time.

COMMISSIONER STEWART: Then, you are talking of the physical properties necessary. There are stages in the theatres big enough in spite of the fact that some of the productions require a very large stage.

MR. GRIFFITH: I think probably it is more special scenery and special lighting. I believe, referring again to the Sleeping Princess, that completely separate scenery was used for that production; had ordinary stage scenery been used it would have been a much less successful work.

THE CHAIRMAN: Does that same thing not actually apply to televising from a theatre stage, as you mention in (b) on the first page? We have heard somewhere -- I cannot remember where -- I think in Toronto -- it is not satisfactory to simply put a camera down in front of the stage and keep it grinding. You have to adapt to the television medium.

MR. GRIFFITH: Right.

THE CHAIRMAN: Well, it is a very tempting thing to say, it is all being done on the stage, then you simply take picture of the stage show. It just does not work out as satisfactorily as







a television play.

MR. GRIFFITH: It is not the set-up for it at all. But, there is considerable evidence, mainly in the United States, that the television viewing of ballet has increased substantially in the past four years, and techniques, of course, are improving all the time.

COMMISSIONER STEWART: And your audiences would grow here and overseas.

MR. GRIFFITH: One of the problems the Ballet Company faces, although it could take the company to remote districts, the fact is even if you had one hundred per cent attendance you lose money. The costs of transportation and of producing such a thing as a ballet, with twenty-four members and musicians and camp followers, is just too much unless you can be guaranteed large audiences, which you only get in large centres.

COMMISSIONER STEWART: So you prefer not to take it to the small centres.

MR. GRIFFITH: Until, perhaps, such a time as a Canadian council is formed.

COMMISSIONER STEWART: Didn't you also say apart from the costs involved, there are many buildings in Canada where there are not just the facilities and lighting arrangements of theatres to take ballet?

MR. GRIFFITH: That is right. Improvisation can be made for things like hockey, but this is pretty difficult. Sadler's Wells never



cease complaining about the Maple Leaf Gardens in Toronto where they had been performing and where they get very, very substantial revenues.



Now then -- Just to finish up  
Mr. Chairman, the only real recommendation we  
have is that the Canadian Broadcasting Corporation  
can afford to increase considerably and to  
extend their programming.

THE CHAIRMAN: We realize that that is a  
point.

MR. COYNE: I was just wondering if Mr.  
Griffith could tell us for the record, what the  
National Ballet Guild of Canada is, precisely?

MR. GRIFFITH : Yes; it is an association  
of people who are interested in ballet; it has a  
wide membership drawn from all across Canada with a  
central board of directors in Toronto. The  
board of directors is responsible for maintaining  
the National Ballet Company itself, which is a  
ballet company under the artistic direction of  
Celia Franca, formerly of the Sadlers Wells  
company, and this company performs as, for instance  
last year, for six weeks in Canada and about five  
weeks in the United States, apart from television  
productions and other things.

MR. COYNE: Well you have a national  
membership and national supporters but your board  
of directors also operates a local ballet company?

MR. GRIFFITHS: Yes, obviously the  
headquarters have to be somewhere, and they are  
in Toronto.

MR. COYNE : Are other ballet companies  
members or in any way affiliated with your guild ?

MR. GRIFFITHS : No -- there is an organiza-  
tion called the Canadian Dance Teachers' Association





which is a very strong supporter and there is also a Quebec Dance Teachers' Association but no other companies are members of the National Ballet Guild.

THE CHAIRMAN: Well thank you very much for your presentation Mr. Griffiths, we are very sorry to have kept you so late, but this was necessary. We will now adjourn to 10 o'clock tomorrow morning.

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HEARING ADJOURNED AT 6 o'clock  
to be resumed at 10 o'clock  
Thursday, 20th September 1956.



ROYAL COMMISSION  
ON  
BROADCASTING

HEARINGS

HELD AT

OTTAWA, ONT.      SEPTEMBER 20, 1956

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ROYAL COMMISSION ON BROADCASTING

Ottawa, Ontario  
Thursday  
September 22, 1944

PRESENT:

MR. ROBERT M. FOWLER	Chairman
MR. EDMOND TURCOTTE	Commissioner
MR. JAMES STEWART	Commissioner

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MR. JOHN M. COYNE	}	Counsel
MR. A. J. de GRANDPRE		

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MR. PAUL PELLETIER	Secretary
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APPEARANCES:

LA FEDERATION DES ASSOCIATIONS  
DE PARENTS ET D'INSTITUTEURS DE  
LANGUE FRANCAISE D'ONTARIO

M. Markland Smith, President  
Me Luc-Andre Couture  
M. Edouard Jodouin

CANADIAN FILM INSTITUTE

Mr. Charles Topshee,  
Executive Director

CO-OPERATIVE UNION OF CANADA

Mr. Ralph S. Staples, President  
Mr. W. B. Melvin, National  
Secretary

LAKELAND BROADCASTING CO. LIMITED

Mr. A. H. Collins

NATIONAL WELFARE COUNCIL

Mr. E. G. Davis, Executive  
Director  
Miss Patricia Godfrey  
Mr. John Farina  
Mr. Albrant

STATION CKVL, VERDUN

Mr. Corey Thomson,  
Section Manager  
Mr. John W. Turner, Legal Adviser  
Mr. Marcel Provost, Programme  
Director





MEMOIRE DE  
LA FEDERATION DES ASSOCIATIONS DE PARENTS  
ET D'INSTITUTEURS DE LANGUE FRANÇAISE D'ONTARIO

PRESENTS:

M. MARKLAND SMITH, Président;

Me LUC-ANDRE COUTURE;

M. EDOUARD JODOUIN.

THE CHAIRMAN: Ladies and gentlemen, I am afraid we have to start this morning on a very sad note. Some of you may have heard of the loss the Commission has suffered in the death in a motor car accident of Mr. G.C.W. Brown, who was the adviser on technical matters to the Commission. He was, as you all probably know, for many years associated with the Licensing branch of the Department of Transport. We have only just had the barest information of the circumstances of this accident, but it was a motor accident and Mr. Brown was killed instantly. He has been a most valuable member of our staff and it is not only a very sad thing but a great loss to the Commission to lose his expert services at this time, particularly.

I would like, on behalf of all the members of the Commission and the members of the staff to record our very great sense of loss and shock at this accident, and to express to Mrs. Brown and members of the family our very deep sympathy.



Now, beginning the hearings to-day, we had a couple of long briefs yesterday which prevented us getting through our full list, and as a result we have two briefs that were carried over. The first is that of La Fédération des Associations de Parents et d'Instituteurs de langue française d'Ontario, that is Mr. Markland Smith, President, and, Mr. Smith, would you, with your associates, come up to these chairs over here.

M. MARKLAND SMITH: Monsieur le président, si vous me permettez, je vais vous présenter mes collègues: Me Luc-André Couture à ma droite, et M. Edouard Jodouin, à ma gauche, deux membres de l'exécutif provincial de notre mouvement.

J'aimerais, en débutant, faire une petite mise au point. Nous regrettons que par accident on ait eu des commentaires dans les journaux de notre mémoire, de notre présentation, deux jours avant le temps, et la seule chose que nous regrettons, c'est qu'il ait pu sembler que notre mémoire soit une critique de Radio-Canada, alors que nous voulons présenter quelque chose de constructif.

I shall repeat in English for the benefit of the press. We regret that the text of our brief should have been released two days before the presentation. We regret also it might have appeared to certain people that it was a blast to the CBC. We really want, you will see this morning, to be constructive; it is not a criticism, but we want to co-operate with the CBC. On this I present Mr. Couture who will make the presentation of the brief.



THE CHAIRMAN: In connection with the presentation, as far as the earlier publication goes, that is perfectly all right as far as we are concerned. We will see your brief when you present it.

I just want to say a word about our procedure; we are very glad to have a brief presented in either French or English, and if you are reading the brief we can follow it whatever speed you go, but if you are speaking to Mr. Stewart or myself you will have to speak slowly and we can then follow you in French. Unfortunately my French is not good enough to address my questions to you in French, although I can understand your answer in French.

I should also say that the procedure here for the benefit of yourself and other people presenting briefs is to have the brief either summarized or read and then our counsel or members of the Commission will address questions to those who are presenting the brief. Those questions are intended to find out exactly what you are proposing and in some cases to put opposite points of view to you for your comment. These questions should not be taken as any indication of any conclusions reached by the Commission at this stage because we shall reach no conclusion until all the evidence is in.

We shall begin by marking your brief as Exhibit No. 222. I notice there is a supplementary document and we will attach that to the main brief and mark the whole thing as Exhibit No. 222.

---EXHIBIT NO. 222:      Brief of La Fédération des  
Associations de Parents et  
d'Instituteurs de langue  
française d'Ontario.





THE CHAIRMAN: With that preliminary, Mr. Couture, will you make your presentation?

Me LUC-ANDRE COUTURE: Monsieur le président, notre intention n'est pas de vous lire les textes que nous vous avons soumis, mais bien plutôt de les résumer, en vous offrant quelques commentaires au fur et à mesure du résumé.

Ce mémoire est divisé ainsi: quelle est la nature de la fédération; ce qu'elle fait; pourquoi elle s'intéresse au travail de la Commission royale d'enquête sur la radio et la télévision; ce qu'elle a fait en vue de se préparer pour cette présentation; ses remarques en marge de son travail préliminaire; une première recommandation; l'expression du désir des associations, et un troisième point au sujet duquel elle est associée à l'Association canadienne-française d'Education de l'Ontario.

Je n'ai pas l'intention de m'attarder longuement sur ce qui est déjà mentionné de façon un peu exhaustive dans le mémoire, sauf que je désirerais mentionner que la Fédération a été incorporée en 1954; qu'elle groupe les Associations de parents et d'instituteurs de langue française d'Ontario. On pourrait alors, pour simplifier la présentation de ces associations, dire, en se servant du vocable anglais, que ce sont les "French P.T.A's of Ontario".

Nous avons à l'heure actuelle 120 associations qui représentent ou groupent 20,000 familles, 20,000 parents et au delà de 40,000 écoliers.

Afin que vous puissiez avoir une vue rapide de ce qu'est la Fédération, de ce qu'elle représente pour la province, au point de vue français dans



l'Ontario, nous avons préparé une carte sur laquelle sont indiquées en rouge chaque localité où se trouve une association; là où une municipalité ou localité comprend plus d'une association, nous avons indiqué au sein du cercle rouge le nombre des associations: par exemple à Ottawa, il y en a plusieurs; à Cornwall, 7. Vous en trouvez une plus au Nord, à Hearst.

Sur cette carte également vous avez, peut-être d'une façon un peu trop rudimentaire, une indication des postes de radio français, postes d'Etat; également inscrit sur cette carte, vous avez le réseau de télévision de Radio-Canada. The blue line here would be the TV network, the red spots for the Associations and the green spots represent the French radio stations.

Nous produisons cette carte afin d'établir la structure de la Fédération, afin de démontrer que la Fédération est en mesure d'offrir des remarques s'appliquant à tout l'Ontario.

De plus, nous aimerions déposer des exemplaires de certaines publications de la Fédération, afin qu'on puisse y référer, pour déterminer quelle est la nature exacte de la Fédération, de son travail. Mon motif, en ce faisant, est de pouvoir étayer la première conclusion à laquelle nous sommes arrivés, le premier point, le pourquoi de notre premier point, le sérieux de ce premier point.

Comme vous le comprenez fort bien, nous ne sommes pas des techniciens, nous n'avons aucune compétence particulière, du moins nous ne prétendons pas avoir aucune compétence particulière dans le



domaine de la télévision ou de la radio. Toutefois, nous croyons que nous apportons une contribution tout à fait spéciale, si toutefois nous pouvons démontrer que nous avons les moyens de contribuer de la façon dont nous prétendons.

Monsieur le secrétaire, je crois, a été saisi de copies, pour les fins de la Commission, de ces exemplaires. Il s'agit ici, dans la copie en rose ou saumon, de la charte - that is the chart, in salmon colour - les règlements tant de la Fédération que des Associations; les fascicules sur le travail à être accompli et l'explication sur la nature et le rôle des Associations. En vert, et la dernière publication de la Fédération, un petit bouquin qui s'appelle "Choix de livres pour la jeunesse". Le mérite de la production de cette publication, de cette petite publication bleue est de nous permettre de procéder par voie d'analogie. Si nous nous sommes intéressés à la lecture des enfants, des écoliers, et si nous nous donnons la peine de publier un choix de livres, de la même façon, nous nous intéressons à chacun des programmes destinés aux écoliers, soit programmes de radio, soit programmes de télévision, et nous nous sommes préparés pour ces fins-là de la même façon que nous nous sommes préparés pour la publication de ce choix de livres pour la jeunesse.

THE CHAIRMAN: Do you wish to file this as an exhibit?

MR. COUTURE: Yes, I would like to ask at this time if this could be filed and if you need another copy, we can provide one later on.







THE CHAIRMAN: No, this is perfectly all right, we will mark this as Exhibit No. 223.

Me COUTURE: J'aimerais également, afin qu'on puisse saisir ce que comporte, ce que représente la Fédération au sein de la population canadienne-française d'Ontario, produire ici une série de données statistiques qui sont censées représenter la situation actuelle de l'enseignement français ou bilingue dans la province. Ces statistiques comportent des données sur la population franco-ontarienne, population scolaire, et ainsi de suite...

THE CHAIRMAN: We have copies here. Those other documents you were referring to, I don't think we need to mark as exhibits, but I think perhaps you might leave copies with the Secretary so that we can consult them later if we need to do so.

MR. COUTURE: Thank you, sir.

THE CHAIRMAN: And the same goes too for this table of which we will have copies. I just don't want to have too many exhibits if we don't need them.

MR. COUTURE: Very well. Je n'insisterai pas davantage sur la nature de la Fédération, son rôle et son travail.

En marge de cette présentation, une enquête a été conduite dans l'ouest d'Ottawa, dans quatre paroisses, sept écoles. Cette enquête, à sa face même très simple, a été faite au moyen d'un questionnaire dont je vous remets une copie pour votre usage, tout simplement. Ce questionnaire



comportait trois questions...

THE CHAIRMAN: Did you say in 4 parishes?

MR. COUTURE: Yes, 4 parishes in the western part of Ottawa, and 7 separate schools.

Les données ont été compilées, étudiées par des statisticiens et des éducateurs. Nous n'avons pas inséré dans ce mémoire toutes les conclusions que nous aurions pu extraire de cette étude, parce que nous croyons qu'elle pourrait être périmée au mois de septembre 1956, étant donné qu'elle a été faite au mois de juin 1956. Elle portait sur des programmes en cour en juin 1956. Les statistiques peuvent avoir leur importance, les conclusions à être tirées peuvent avoir leur mérite, mais nous croyons surtout que l'interprétation à être faite de ces données aura son importance majeure. Nous croyons surtout qu'il faudrait répéter ces enquêtes, qu'une seule donne une vue particulière qui peut être généralisée pour nos besoins, qui est non seulement bonne pour les fins de notre présentation, mais qui aurait d'autant plus de valeur si nous la répétions non pas pour nous instruire, mais dans un but particulier, c'est-à-dire en vue de collaborer avec la Société Radio-Canada.

Cette enquête nous a permis de recevoir 1,075 réponses de 554 garçons et 521 filles. Les réponses données s'appliquent, croyons-nous, à presque toute la population scolaire franco-ontarienne, parce que le milieu bilingue d'Ottawa est représentatif, nous semble-t-il, des autres milieux bilingues de la province d'Ontario, compte tenu évidemment de tous les facteurs: population française, présence d'écoles



bilingues, de paroisses... Ces réponses ont été étudiées à fond. Nous avons les données statistiques que nous ne croyons pas devoir produire et qui révèlent, sommairement, que les programmes les plus populaires chez nos écoliers franco-ontariens de l'ouest d'Ottawa sont peut-être les programmes anglais d'origine américaine. A la page 3 du mémoire, deuxième paragraphe, nous indiquons que le programme le plus suivi chez tous les jeunes, d'après notre enquête en juin 1956, était Rin Tin Tin. Les programmes connus sous les noms de Jungle Jim et Lone Ranger reçoivent 40 pour cent des suffrages. Il est à noter que Rin Tin Tin serait suivi de 737 élèves dont 411 garçons et 326 filles.

Pour les programmes français qui sont suivis, sans aucun doute, La Famille Plouffe est suivie à presque tous les âges. Nous allons à l'extrême pour souligner le fait que le choix de l'excellent programme "Grenier aux images" ne se présente que dans 5 pour cent des cas qui trouvent leur incidence en quatrième et cinquième années. De ces données, nous en arrivons donc à cette conclusion: que certains programmes anglais sont très populaires auprès de nos jeunes écoliers franco-ontariens sont également très populaires auprès des écoliers anglo-ontariens. Nous croyons que les motifs de cette popularité sont les mêmes chez les franco-ontariens que chez les anglo-ontariens. Nous constatons, en sus, après certaines études faites tant aux Etats-Unis qu'au Canada, que ces programmes qui sont les plus populaires chez les écoliers sont ceux qui sont le plus vertement







critiqués par les éducateurs. On pourrait conclure qu'il est quelque peu osé de la part de la Fédération de demander plus de français, alors que certaines études faites par la Fédération démontrent que les programmes français présentés, accessibles, ne sont pas suivis par la majorité, mais cette conclusion, nous vous soumettons, est beaucoup trop facile, parce qu'elle serait fondée uniquement sur des statistiques. Cette conclusion ne découlerait pas par voie de raisonnement, elle nous vient par les chiffres. Il faut la motiver, il faut connaître le pourquoi de cette conclusion. Il faut certainement dire que si 40 pour cent de la population écolière suit les programmes français à la télévision, pour ce qui est d'un secteur de l'Ontario, qu'il y aurait au moins 40 pour cent de la population écolière française du reste de l'Ontario qui les suivrait.

Nous croyons que les programmes de télévision en français sont, de façon générale, supérieurs aux programmes anglais. Nous croyons que les programmes français de télévision destinés aux enfants sont meilleurs que les programmes anglais destinés à ce même secteur de la population.

M. TURCOTTE: Vous voulez dire du point de vue éducatif?

Me COUTURE: Exactement.

THE CHAIRMAN: That is what you mean by better, better from an educational point of view?

MR. COUTURE. From an educational point of view, yes. Ayant passé, ayant fait ces affirmations qui sont une simple expression d'opinion, nous



devons nous demander pourquoi les programmes que nous croyons meilleurs sont moins suivis. Est-ce que nous devons faire l'éducation des parents afin que ceux-ci imposent un choix aux enfants? En principe, la réponse est probablement affirmative. En pratique, nous rencontrons dans ce domaine les mêmes problèmes que dans le domaine de la nutrition, de la santé, etc. Il faut la coopération des organismes publics et privés et des parents pour arriver à faire l'éducation de la jeune population.

Ces statistiques se justifient de la façon suivante pour ce qui est du milieu ontarien: les programmes français se présentent à la même heure que les programmes anglais et que nos jeunes écoliers ont le choix entre un programme français qui peut être fort instructif, et un programme tel que Rin Tin Tin ou Lone Ranger. Aussi, c'est évidemment la loi du moindre effort qui s'applique. Mais il y a plus: ces programmes offrent des attractions particulières pour la jeunesse. Nous avons mentionné l'élément d'aventure et d'action beaucoup plus vive. C'est pourquoi un programme de cowboys sera suivi de préférence à un programme sur l'histoire du Canada, du moins nous avons trouvé qu'il en était ainsi dans 60 pour cent des cas.

Nous avons aussi remarqué qu'une des raisons pour laquelle ces enfants suivent ces programmes, c'est que les enfants aiment discuter, parler de programmes de télévision le lendemain, ou encore pour plusieurs jours à venir. Comme ils vivent dans un milieu bilingue, les amis de ces



jeunes écoliers franco-ontariens peuvent être de langue française, mais peuvent fort bien être de langue anglaise; or on aime bien pouvoir discuter de choses qui sont communes ou familières et aimées, soit les programmes anglais.

Nous croyons donc que pour pouvoir profiter pleinement des programmes français, il faut insérer dans ces programmes ces éléments qui attirent véritablement la jeunesse écolière, sans toutefois leur faire perdre leur valeur éducative. Par ailleurs, nous ne voulons pas renoncer à la possibilité d'offrir 100 pour cent de français à ces jeunes écoliers. Pour ce faire, et pour être logiques avec nous-mêmes, il faut donc qu'entre les heures de cinq à sept il n'y ait pas de la part du réseau anglais ce que j'appellerais une concurrence déloyale. Le réseau anglais ne devrait pas exercer de concurrence déloyale entre cinq et sept heures en présentant des programmes, des films tels que Rin Tin Tin, Lone Ranger...

M. TURCOTTE: Wild Bill Hickock...

Me COUTURE: Wild Bill Hickock, oui, alors que du côté français on présentera un programme sur l'histoire du Canada. Nous en venons donc à une conclusion...si l'on nous pardonne de sauter d'un point à l'autre du mémoire. Nous en venons à cette conclusion que nous aimerions vous soumettre, qu'il faut coordonner les programmes. Il faudrait les coordonner dans l'Ontario, dans les milieux bilingues; c'est la façon de rendre véritablement accessibles





les programmes français, c'est la façon logique de permettre le français.

Et pour passer dans le domaine de la radio, et nous le verrons dans quelques instants lorsque nous exprimerons notre désir, il y a une telle chose que l'incidence des programmes pour rendre réelle la présence du français à la radio ou à la télévision. Il faut donc coordonner. Nous remarquons également que même des programmes français, bien que ce sont des exceptions, sont de mauvaise tenue et sont présentés à des heures où ils sont accessibles aux plus jeunes. Nous avons perçu que des demandes de réforme peuvent se faire périodiquement, mais que les chances de succès sont fort petites parce que ces programmes que nous considérons comme hautement répréhensibles et qui sont en minorité, remarquez-le bien, du côté du réseau français, sont habituellement commandités. Le commanditaire a dû s'assurer, de son côté, par des enquêtes genre Gallup que son programme était fort populaire, que la recette était populaire. Sans référer à aucun programme, il peut être mentionné qu'il s'agit d'un certain programme où l'on donne des cadeaux excessifs à la suite de performances comiques de la part du public, programme qui se donne entre huit et neuf heures un certain soir à la télévision, programme que nous considérons comme hautement répréhensible, particulièrement dans le cas des enfants. Alors, si l'on voulait s'adresser aux autorités, les autorités seraient appelées à agir comme arbitres, ce qui est toujours assez pénible pour un organisme



comme la Société Radio-Canada; c'est probablement son rôle, et si c'est son rôle, il faut le lui faciliter. Nous croyons donc que pour représenter l'opinion publique, l'orienter, la rendre bien pensante, afin de coordonner les programmes français et anglais dans le sens que nous avons indiqué, nous croyons bon de recommander l'institution au sein de Radio-Canada d'un comité consultatif permanent, constitué de représentants d'organismes tels que la Fédération, l'Association d'Education et autres. Il s'agit d'un comité consultatif, du moins dans le cas de l'Ontario, qui représenterait véritablement tout le public ontarien, non pas seulement les Franco-Ontariens, puisqu'il s'agit de coordonner. Ce comité pourrait être institué pour l'Est du Canada, puisque nous avons une série complète de programmes diffusés par Radio-Canada, pour l'Est du pays. Pour ce qui est de l'Ouest du pays, la chose pourrait être différente; dans la mesure où il reçoit des programmes de l'Est du Canada, il bénéficierait alors de l'amélioration des programmes qui pourrait être faite à la suite des recommandations du comité consultatif.

Nous ne proposons pas ce qu'on appelle en anglais un "watchdog committee". Ce n'est pas un comité de censure, c'est un comité qui ferait des enquêtes ou ferait faire des enquêtes, soit par la Fédération, de la nature de celle que nous avons faite, qui poursuivrait ces enquêtes, qui serait animé par des motifs aussi sérieux que ceux que nous croyons vous présenter.



(After French)

THE CHAIRMAN: You are thinking of this committee as being mainly dealing with children's programmes. Would you call it a consultative committee on children's programmes or a consultative committee on all programmes?

MR. COUTURE: We feel that our mandate must be considered to be restricted to children.

MR. SMITH: Children up to sixteen years of age.

THE CHAIRMAN: In the educational bracket, so to speak?

MR. COUTURE: Yes.

THE CHAIRMAN: Really, your suggestion is to engage in what amounts to practical research by this type of survey that you have made, and all things of this sort, to advise the CBC on the subject?

MR. COUTURE: That is right. We are suggesting that we could quite well carry out the studies without there being any such committee in existence, but then ---

THE CHAIRMAN: Then, what do you do with it?

MR. COUTURE: . . . what do you do with it? There is the serious possibility of being able to do nothing with it, so this committee will have to have some official status.

THE CHAIRMAN: Part of our difficulty, as I have mentioned -- I don't know whether you





were in the room yesterday or the day before when this point came up -- is that if all recommendations for consultative committees were accepted, I don't think the CBC would have time to do anything else but deal with consultative committees, but the question is, whether the voice of the consultative committee can be applied to some but not all of the suggestions that have been made, whether the cumbersome procedures involved would tie up the CBC staff too much or whether there is some way in which these various things can somehow be merged into one kind of research operation. I don't know. It is a practical difficulty here.

MR. COUTURE: We realize the practical difficulties involved; however, we suggest this, that this would not be a censorship committee. It is not a question of following each programme or of having the opportunity of reading beforehand the script for each play, and so on. It is to have a really consultative committee representing the various organizations, truly representative of the population which is constantly making studies in this field and would like to have the opportunity of making submissions at all times, submissions that would have some chance of success. I do realize that we should elaborate on this quite a bit more. Our intention was not to suggest the very exact sort of committee or its place within the structure of CBC. We did not feel we were competent to do so, and we do not feel we should



come here and say what the place of this committee within the framework of CBC should be. However, our studies have led us to the conclusion that this is perhaps the only way to obtain the desired cooperation in this field of child TV and child radio.

THE CHAIRMAN: Maybe CBC should hold open house about once or twice a year and let everybody come in.

MR. SMITH: Mr. Chairman, there is something of a committee on, let us say, Les idées en Marche and L'Association d'Education Canadienne-française d'Ontario who will invite different groups to prepare the programme for the year. That is done for one programme, and it may be done for others.

THE CHAIRMAN: I think it is done for the farm programme.

COMMISSIONER STEWART: Farm Forum.

MR. SMITH: There may be some enlarging of that.

THE CHAIRMAN: There could be no real doubt that it is very desirable to get public opinion effectively bearing on national radio and television operations; I think anyone would have to see that, provided it is a practical thing and does not occupy so much time that they can't do their own job. I think that is the kind of dilemma you are in.

MR. COUTURE: Yes, we realize that. Our feeling, roughly, is that -- if I may put it this way without being called upon to discuss





the statements I make -- as long as CBC is engaged in commercial activities, then CBC is perhaps in a tough spot whenever it comes to deciding whether or not a programme that has a sponsor should be amended, taken off the air, and so on, by reason of criticisms received from organizations such as this Federation. That, I believe, is it in a nutshell. I don't want to discuss whether or not CBC should enter the commercial field or not; that is not within the purview of this brief, nor do we feel that we are competent to discuss the basis of this statement at all, but we just note that actually there are some programmes financed by sponsors. We have noted that whenever criticisms had to be made in respect of certain programmes, they could, in the majority of cases, be directed at sponsored programmes, but otherwise the programmes were excellent -- in the main. So, we have come to this conclusion that with respect to these programmes CBC was perhaps in a tough spot, and even though you may think these watch-dog committees, which can be set up by anyone -- and it may even be the duty of the Federation to set up a watch-dog committee -- we don't have to have this type of committee in the CBC -- that doesn't help at all, because you have this conflict as between the so-called Gallup poll of the sponsor on the one side and the feeling, very often considered to be radical in the face of the Gallup poll, of certain organizations interested in the





education of the population or the education of children, who are opposed to the programme. We feel to resolve that without fortifying the present status of CBC and so on -- and we do not want to enter into that field -- presently we feel that is the only way of arriving at some constructive result. My view, without stating any specific instances, we might say that representations have been made in the past; we might say these organizations have gone before the public through the newspapers, directly or indirectly, to manifest their position or to express their feelings about certain programmes, but these fall flat, necessarily so.



COMMISSIONER STEWART: You are suggesting that what might be applicable in the Ottawa valley might not suit the people in northern Ontario around Timmins, Kirkland Lake, or even in Windsor. Would you get a factor of opinion between various regions which would increase the difficulties of CBC?

MR. COUTURE: I cannot deny in certain cases that might arise. I think, on the whole, that would not be so.

COMMISSIONER STEWART: I tell you why I say that. We had a variety of opinions from the French-speaking people in Quebec and in the Maritimes, particularly in New Brunswick, and at the same time I sensed a somewhat difference of opinion expressed in New Brunswick to what we heard in the province of Quebec.

MR. COUTURE: I would submit, respectfully, notwithstanding these conflicts of interest in these centres, from various localities, these organizations can agree on some basic principles and I think a lot of these organizations can make suggestions to CBC for the improvement of programmes. I feel that the work of this committee would not be to comment on each individual programme but to study trends and to study the effects of the programmes on the children. To be concerned, not with whether or not the higher policy problem of local interest is opposed to national interest but my point is in respect to the education of children. There are certain principles on which we all seem to agree



that are not accepted, generally speaking, for reasons beyond our control. We feel the reasons are seriously pertinent and if such a committee existed then there might be, if it is a properly organized portion of the population, an organization within that whose policy is to study welfare educational problems, and then children could have a voice within the CBC. I do not think, despite the few occasions which might arise that this committee would turn out to be a sort of melting pot for a conflict of opinions as between the Maritimes and northern Ontario, for example. In this respect I would point out that, strangely, the remarks or rather the conclusions are not dissimilar to the conclusions reached in the United States by organizations that conducted surveys of the same nature, we well as organizations that conducted similar surveys in Ontario, Quebec and the Maritimes. So far, it seems, without setting out the principles on which we agree and we do agree on the basic principles --

MR. deGRANDFRE: Would you have in mind the creation of a planning department that would report directly to the Board of Governors and whose duties would be to cover and solicit the views of various groups such as yours which would give their views on specific advice of programmes. You are interested in the children's programmes. Another group would be interested in artistic programmes. Another group would be interested in ballet programmes, etc., and these various groups now have no place to







go or feel they have no place to go in order to voice their opinions. By the formation or the creation of a special department, responsible directly to the Board of Governors and having nothing to do with the broadcasting of the programmes, but simply in the planning department, or the programming policy of the corporation, would that not serve the need you had in mind without pertaining to the CBC organization.

MR. COUTURE: Well, my submission does not go as far as that. Surely it is planning but it gives it that wide meaning. We do not think that the CBC possesses all the artistic advisers that are required. We do not suggest that this committee would hear representations from a group interested in ballet or in this or that; not at all. We feel this committee should be interested primarily in the educational content of the programmes directed to a special group of listeners -- the children. This educational content of the programme in a national or a local broadcast should, in order to be educational, on the main reflect three things -- moral, instructional, recreational. And I say that they are independent of the nature of the programme. When you consider the educational requirements, a certain direct or indirect content, this educational content might be totally absent in which case the committee could make suggestions as to how to insert worth while educational elements in any type of programme. It might be wrongly directed, in which



case this committee could suggest certain corrections, or it might be perfectly presentable as it is and this happens in many French programmes on TV but it so happens that those programmes are competing against programmes not as good, which are taking the forefront and are much more popular. In that respect, whenever you have programmes rich in educational content the committee might be called upon to instil a bit of coordination, especially when you are dealing with bilingual problems in Ontario -- it is a matter of coordination.

MR. deGRANDPRE: What I was trying to avoid was the multiplicity of committees in the organization of the CBC. You are interested in one particular field -- the Chairman has indicated it must have reached the 50-mark at least from various groups suggesting a committee for this and a committee for that and that is why I was putting forward the suggestion of a planning department, which would receive and sift all of these suggestions.

MR. COUTURE: I will agree with your proposition, surely. We are highly interested in seeing that there is a special committee. We have not made, nor do we intend to make any special suggestions as to the place of that committee within the framework of the CBC.

MR. deGRANDPRE: But you would like to see such an organization?

MR. COUTURE: Yes, we would like to see such an organization. The committee we have in



mind would certainly function within the framework of a larger committee such as you have described.

THE CHAIRMAN: Your main point, you recognize there is a function for an organization such as yours to do some work in this field, to start that. Having done such work and reached some opinions you want to have some vehicle whereby you can, at least, have a choice to express those opinions effectively. Whether they are acceptable or not is another question but you want to express your taste?

MR. SMITH: Yes, especially with radio and television a part of the school time.

THE CHAIRMAN: May I go back to your thinking -- that generally speaking the programmes about which you were critical were sponsored programmes. Those that were non-sponsored you did not have too much to complain about, is that right?

MR. COUTURE: Yes.

THE CHAIRMAN: Apart from the fact they happen to be popular with the children, what kind of thing is it you object to? Is it the violence in them?

MR. COUTURE: We find in many programmes their educational content is practically nil. Secondly, that there are objections from a moral standpoint. Too much violence or the setting up of ideals for use basically contrary to what they are being taught in their homes and in school and generally, in any event, the artistic







values are absolutely nothing. The only thing you do have in this type of value is the element of quick adventure. And to realize that they have to resort to devices such as killings, guns, and cruelty which are reproachable in themselves and take all the time and leave no space for anything truly worth while.

THE CHAIRMAN: I sometimes wonder if we tend to judge the programmes as they affect us without necessarily being able to judge the programmes as they affect the children. In other words, Rin Tin Tin might be a very bad programme for you to see because you would appreciate the violence -- well, perhaps not in Rin Tin Tin, perhaps I should have said in Wild Bill Hickok, because you would appreciate the full meaning of the violence and cruelty in it, but this same programme might pass completely over the head of a seven year old child.

MR. SMITH: I have been over the province of Ontario a few times. Now there is one thing -- there are cases of children playing at hanging. Things like that. They see them tie up someone, for instance. There was a case of a child in Timmins tied up behind an automobile. They were playing. The owner started the automobile and the child died. A child imitates so much of what he sees. If there is too much of that violence they play that way -- they don't know the consequences.



THE CHAIRMAN: But it was there long before television. Only it was under another guise.

MR. COUTURE: We feel that TV has now taken a place of great importance in the life of the children. I don't think anyone would suggest the CBC is solely responsible for this or for things that happened. It might be a series of facts combined, such as news, reading material, it might be radio in part and it might be TV. Surely, since children are natural born imitators it might be the parents.



But social agencies, welfare agencies, and so on are working towards having the adults give a proper example. This federation of organizations is trying to get good books for their children and so on, and then we go down the list and we find that we have reached TV, and that also can be the cause of juvenile delinquency. We feel that something ought to be done to cover the field completely, especially in view of the importance of TV and radio today.

THE CHAIRMAN : I think the only background of my question is really this, as to whether we know too much really, about the impact of TV programmes on children, and I think you have answered that by saying that we don't. There are any number of things which influence them and you want to watch them all--- is that not what you are saying?

MR. COUTURE : Yes and that is what we are doing. We feel that we have to watch all these things and if we do perhaps we can find one particularly that is becoming very important.

MR. deGRANDPRE: I think we might as well go on for a while with the questioning, if you don't mind. On the question of sponsored programmes not being educational, we have had representations made to us, in Montreal, by a group also interested in educational problems, and they pointed out to us





that one of the reasons why the children were not interested in the French programmes, so much as they were in the English programmes, was that there was a definite lack of action on the French programmes, which you have also mentioned.

They also indicated as a further reason, the fact that there is probably too much education in the French programmes and these programmes are shown around 4.30 or 5 o'clock when the child has just come back from school, and he is tired and doesn't want to make the effort. That is probably a mistake made by the French programmes that they have tried to put too much education in their programmes to the detriment of action.

MR. SMITH : Instruction in other words.

THE CHAIRMAN : In other words you are extending the hours of school really, instead of making it a relaxation.

MR. deGRANDPRE: It forces the child to make another effort.

MR. COUTURE: Well we agree with that. I believe I made a distinction of a sort, earlier, when we mentioned that education and information should not be confused. We don't see that only information can lead to education. Recreation can be educational sometimes. We realize that and we are not asking for more teaching information and more learning. We don't say that our children



ought to have TV schools after school hours.

That is not our point at all. We say that recreation is part of education and you can always insert educational elements in a programme that is destined to be recreational. You could have good cowboy films I suppose, and a good cowboy film could have educational elements. It is not the fact that it is cowboy and not historical that is reprehensible. It is the fact that actually there are so many reproachable elements in some of these programmes that they exclude any possibility of their having any educational value. We do say however that we consider education is comprised of three elements--information, moral formation and recreation.

MR. deGRANDPRE : Yes, do you feel that the French programmes at present have reached this balance or that they have not put too much emphasis on the educational side to the detriment of the action?

MR. COUTURE : We may have, on the national side, yes.

MR. deGRANDPRE: That they have gone the opposite way ?

MR. COUTURE: Yes.

MR. deGRANDPRE: You are suggesting that the middle course should be adopted by the French and the English networks. Is that a good summary



of your proposition - or is that putting it into too simple terms ?

MR. JODOUIN:        Mr. Commissioner, may I point out that last year at 5.30 we had a Television set on at home and on the English station we had "Robinhood", so I switched to the French station and we had a gentleman there giving the children a conference or a lecture on stamp collections.        He was showing the odd stamp and so on.        Now there was nothing there to interest a child just out of school, waiting for his supper - there was nothing there - no entertainment whatsoever.        This is on the French network.

THE CHAIRMAN :    You are really confirming Mr. DeGrandpre's point are you not?

MR. JODOUIN:    Definitely - definitely. There are certain programmes on the English network, for instance this Howdy Doody programme, which we don't like as adults, but which has a special movie in it.        Now why cannot we have the same thing in French, with the same type of film, that would give certain instruction?        For instance they take the little hero and make him a bushman or a logger or a paper maker and a child can follow this and then can imitate him rather than imitating a cowboy and running around with a gun.

THE CHAIRMAN :    I think we have the point quite clearly, on the subject of the sole consultative media.        Are there any other points that you are







interested in raising at this time?

MR. COUTURE : Yes - we have one wish to express with respect to radio especially. That wish is that there should be more French. We are not asking however for more hours, necessarily, but we are suggesting that one hour let us say, between seven and eight o'clock, is worth about three hours between ten and one p.m. We have given one specific instance of a definite improvement in connection with CBE - Windsor, Ontario. They have made a definite improvement in that this was a so-called bi-lingual station and they gave French programmes between 11 p.m. and midnight and most of that programme was musical in any event. So that you had about three sentences in French and that was a "French programme."

Today we have been told they give such times as from 7.30 to 8 o'clock, practically every evening, with French songs and French programmes and we feel that this is the type of improvement that is desirable and is desired by the French-speaking people of Ontario.

THE CHAIRMAN : Are you saying that you think that the Windsor experience - limited as it may be - indicates that from an overall operation of the station, a mixture of French and English programming is feasible and is satisfactory? You may argue that you want more or less, or different



hours - but you have the notion of putting the two languages on the same station?

MR. COUTURE : Well I had not gone that far, but I believe we could point out the existence of such programmes either on TV or on radio, especially the first class musical programmes originating from Toronto, and Montreal, which are destined to the Canadian public at large, where you have an announcer giving the titles of the musical pieces to be played and where you have the announcer giving explanations in the two languages. We feel that these programmes are highly profitable but independently, these programmes are rather limited. In the case of having straight French programmes we feel that the time factor is of great importance.

Then our last point is the expression of what we have termed a right. If I may I would like to revert to the French language with respect to this last portion?

THE CHAIRMAN : Yes -- certainly.



Me COUTURE: Relativement au dernier point, concernant le droit au français des écoliers franco-ontariens, en vous soumettant que les jeunes écoliers franco-ontariens ont un droit au français, nous nous exprimons tant au nom de la Fédération qu'au nom de l'Association canadienne-française d'Éducation d'Ontario qui, elle aussi, a conduit une enquête fort poussée en adressant un questionnaire élaboré à tous ses groupements locaux à travers l'Ontario, qui a reçu des réponses de tous et qui nous a fait tenir ces réponses ainsi que le résultat de ces enquêtes. Nous ne prétendons pas qu'une enquête statistique ou autrement peut établir un droit; ce n'est pas la quantité des demandes, des expressions de désirs qui décident du droit. Toutefois, nous voulons faire ressortir ceci: c'est que tous sont unanimes à prétendre que les jeunes écoliers franco-ontariens peuvent recevoir plus de français sur le réseau d'Etat à titre de droit, et nous vous le soumettons d'une façon fort concise, je crois, en vous disant ceci: Radio-Canada exploite les réseaux nationaux en exclusivité, que cette exclusivité se justifie de diverses façons sans doute, mais doit être motivée par là que Radio-Canada doit s'engager, à titre d'organisme d'un état fédératif bilingue, à respecter les droits du français, indépendamment de la possibilité de succès financiers ou commerciaux. Nous avons pleine confiance, remarquez bien que nous exprimons cette confiance, que la Société Radio-Canada respectera davantage, puisqu'elle l'a déjà respecté dans une certaine mesure le français. Nous prétendons pouvoir réclamer du français au réseau de Radio-





Canada en Ontario, comme étant le droit des écoliers franco-ontariens, puisque leur demande s'adresse à la Société Radio-Canada, corporation d'un Etat fédératif bilingue, corporation bilingue donc qui, jouissant du réseau national en exclusivité, peut justifier cette exclusivité d'emblée si elle en jouit pour la protection de tous les droits véritables des Canadiens.

Me DE GRANDPRE: Quant à ce dernier point, monsieur Couture, je pense bien que tout le monde s'entend que les écoliers franco-ontariens ont droit à du français sur le réseau d'Etat, où qu'ils se trouvent, et est-ce que vous pourriez nous indiquer, d'autre part, pour les fins du dossier, quelles sont les parties de population d'expression française qui ne seraient pas desservies en radio?

Me COUTURE: Certainement. Le but de la carte était justement d'offrir une géographie du français dans l'Ontario. Alors, vous voyez la dissémination ou distribution des associations à travers l'Ontario, vous voyez dans la partie sud, en bleu, le réseau de télévision; vous voyez, au moyen de points verts, les postes de radio français. Pour résumer, nous pourrions mentionner que l'Est de l'Ontario, c'est-à-dire tout ce secteur qui peut être desservi par CBOFT tout de programmes de télévision français. Et maintenant un mot du français sur la télévision à Timmins, Kirkland Lake et North Bay...

Me DE GRANDPRE: C'est le poste de Timmins qui se trouve à desservir cette région-là?



Me COUTURE: Exactement.

Me DE GRANDPRE: Maintenant, dans la région d'Ottawa, de Cornwall, il n'y a pas de problème quant à la réception du français?

Me COUTURE: Non, pas à notre connaissance.

Me DE GRANDPRE: Maintenant, dans la région de Timmins et North Bay, il n'y a pratiquement pas de problème là non plus?

Me COUTURE: Bien, voici. On accorde 20 pour cent du temps au français; maintenant...

M. TURCOTTE: C'est un poste privé?

Me COUTURE: Non, un poste d'Etat.

M. TURCOTTE: A Timmins?

Me COUTURE: Excusez-moi, c'est privé.

Me DE GRANDPRE: Quelle est la population, à peu près, la population d'expression française dans cette région-là?

M. SMITH: La région compte 56,000 âmes.

Me COUTURE: D'après les renseignements que nous avons ici, la région de Timmins compte plus de 56,000 Franco-ontariens.

M. SMITH: Cela, c'est le recensement de 1951.

Me DE GRANDPRE: Sur une population totale de combien?

Me COUTURE: Nous n'avons pas la population totale, mais toutefois, si nous nous en tenons au chiffre établi au dernier recensement, avec l'augmentation même - cela représenterait environ 20 pour cent de la population totale.



Me DE GRANDPRE: Alors, le pourcentage du français sur les ondes est équivalent au pourcentage de la population d'expression française?

Me COUTURE: Il y a probablement une équivalence entre les pourcentages, entre le pourcentage du français et le pourcentage de la population.

Me DE GRANDPRE: Est-ce que cette même proportion est respectée quant au poste de télévision, ou s'il ne s'agit que des postes de radio, quand vous mentionnez que 20 pour cent des programmes sont de langue française?

Me COUTURE: Non, je parle expressément du poste de télévision.

Me DE GRANDPRE: Quant à la radio, est-ce que la situation est identique ou meilleure?

M. SMITH: Le poste CFCL - Timmins est français.

Me DE GRANDPRE: En totalité?

Me COUTURE: Il y a peut-être des programmes bilingues, des programmes anglais conduits par le poste.

Me DE GRANDPRE: Et quand vous dites que dans l'ensemble cette région-là est desservie à peu près équitablement?

Me COUTURE: Voici. Il y a une difficulté technique, c'est que par exemple les émissions de Timmins ne se rendent pas à Kirkland Lake, à cause du terrain, ce n'est pas desservi; cela dessert une certaine région, mais pas autant qu'on le croit.

M. TURCOTTE: Le poste de télévision?

Me COUTURE: Non; là, je parle de radio.





M. JODOUIN: Ce n'est pas très bien pour la télévision à Kirkland Lake.

M. SMITH: A cause de la nature minérale du terrain.

M. TURCOTTE: Ces programmes français que vous recevez originent-ils de postes privés ou si ce sont des programmes de Radio-Canada?

M. JODOUIN: A Timmins, on offre des films; pour le reste, c'est originaire de Timmins.

M. TURCOTTE: Ce sont des programmes locaux?

M. JODOUIN: Des programmes locaux, oui; ensuite, les films; la grande partie, c'est les films.

M. TURCOTTE: Les films aussi, non pas des films fournis par Radio-Canada?

M. JODOUIN: Ah! la nature des programmes, je ne le sais pas, ce n'est pas dans notre domaine, nous n'avons pas ces renseignements-là à la main.

Me DE GRANDPRE: Est-ce que mon interprétation de la carte est exacte, à l'effet que la région de Windsor n'est pas desservie à l'heure actuelle, ou si elle est desservie par un poste de radio qui donne du français plus que les trois heures dont vous avez parlé tout à l'heure?

Me COUTURE: Au total, il y a plus que trois heures, le total est plus que cela. Effectivement, je pourrais vous laisser ici la première page de la Feuille d'Erable du 6 septembre 1956, qui donne le programme hebdomadaire de CBE à Windsor, les programmes français pour cette région de Windsor, tels qu'ils sont fournis actuellement.



Me DE GRANDPRE: Est-ce que là encore la proportion des programmes français, en rapport avec la population d'expression française est plus équitable?

Me COUTURE: Pour ma part, je l'ignore, parce que la prétention émise, c'est que si ces écoliers franco-ontariens ont un droit au français, ce droit est indépendant des proportions de population. En d'autres mots, il est fort possible que vous ayez une situation qu'on pourrait décrire comme étant équitable; il est fort possible, comme on doit probablement en arriver à la conclusion qu'à Timmins c'est équitable, bien que ce soit un poste privé. Mais nous allons au delà de l'équité, nous ne demandons pas ce qui est équitable en disant "nous avons par exemple dix enfants sur cent, alors il nous faut dix pour cent du français". Nous soumettons qu'il s'agit d'un droit et si ce droit existe il faut le satisfaire. Nous ne réclamons pas la satisfaction de ce droit d'emblée, demain, mais nous croyons que ce doit être une des visées nécessaires de Radio-Canada que de satisfaire ce droit intégralement, le plus rapidement possible, en tenant compte de tous les facteurs. Par exemple, dans un certain milieu, il y a un poste privé de télévision qui est peut-être accessible à la région et qui, par conséquent, dessert une petite partie de la population. Il y aurait peut-être là une obligation de la part de Radio-Canada d'établir un de ses postes afin de desservir plus adéquatement la population franco-ontarienne.



Me DE GRANDPRE: Si je comprends bien votre demande, c'est que vous voudriez avoir un poste qui irradierait toute la journée en français et un poste qui irradierait toute la journée en anglais dans tous les centres?

Me COUTURE: Je crois que c'est là un idéal vers lequel doit se porter Radio-Canada. Je crois que ce doit être une visée nécessaire de la Société Radio-Canada.

THE CHAIRMAN: Well, gentlemen, we want to thank you very much not only for your brief but for the obvious amount of thought, study and surveying that went into the preparation of this brief. We will consider your brief. Again, thank you very much.

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SUBMISSION OF THE  
CANADIAN FILM INSTITUTE

APPEARANCES:

Mr. Charles Topshee,  
Executive Director.

THE CHAIRMAN :        The next brief  
is that of the Canadian Film Institute and  
we will begin by marking it as exhibit No. 224.

EXHIBIT NO. 224 :    Brief of the  
Canadian Film Institute.

THE CHAIRMAN :        Mr. Topshee, I am  
sorry we didn't reach you yesterday, when Mr. Cowan  
was with you, but we are delighted to have you here  
today and we would like you to read your brief, or  
perhaps you can outline a number of the points in  
it for us.

MR. TOPSHEE :        Thank you Mr. Chairman  
and the members of the Commission.        We had  
planned that our president from Toronto and also  
our vice president from Quebec would be here today  
for this presentation.        However, unfortunately  
the vice president was unable to get here and Mr. Cowan  
who was here, yesterday, has asked me to express  
his regrets at being unable to attend this morning's  
session.

I think it is worth noting that as far  
back as 1935 when the Canadian Film Institute - at  
that time the National Film Society - was instituted,



-we were concerned with TV. The purpose of the Canadian Film Institute, as stated in the articles of incorporation, in 1935, was to encourage and to promote the study appreciation and use of motion and sound pictures and television as educational and cultural factors in the Dominion of Canada and elsewhere.

The Canadian Film Institute is a voluntary national organization for the film users of Canada, whose membership include wide and varied interests. I should like to also make reference at this stage to a survey which was conducted by the Canadian Film Institute in 1952 prior to television in Canada, a report on which is attached to the brief as appendix D.

There are three fundamental reasons why we are interested in this matter. The first is that existing films, made for whatever purpose, are the primary source of supply in television programmes, the second is that film is the only physical form in which television programmes can be preserved for any purpose, use or re-use, at a later time, or a different location, on television for presentation to audiences other than television, for record or for the archives and third, based on the preceding no.2, the effective use of film offers the best solution to the economic problems of TV.

At the top of page 2 in our brief, we state



today specifically the institute is concerned about one, the supplementary uses of television film material, 2, television films that should be preserved in a film archive, and 3, Canadian educational film-making and television, or, education and entertainment in television.

On the supplementary uses of television films, the brief was prepared early in this year, and even so, since that time television development and increasing uses and interest in non-theatrical films, outside of television have changed significantly according to the public report of the CBC which is now placing greater emphasis on Canadian-made film, on a basis which will widen the type of Canadian programming in Canada and can lead to the distribution of Canadian-made television programmes in other countries and give aid in plugging the leak which resulted in Canadian creative and acting talent leaving the country after receiving their basic training, here.

Most of the criticism of the failure to use Canadian talent and lack of attention to Canadian-made films is actually criticism of the timing, rather than of policy. The development of successful film-making facilities is likely to be a slow process and we are more concerned with the objective than the debates, when they should be attempted.

The use of the film in Canada, non-theatrical,







aside from TV, has been steadily rising.

Institute membership - its bookings and its film procurement, and its film societies have risen to new levels ever since the brief was written. The need of such Canadian users for material of film is therefore greater than it was when the submission was made, and in the section on specific supplementary uses of television films, the Canadian Film Institute respectfully suggests - and this is on page 4 of the brief -

( 1 ) : The provision for distribution of 16 mm. film to Canadians in areas which the existing TV facilities cannot reach.

( 2 ) : Through film libraries, councils and other organizations, outlets to make suitable TV programmes on film available for viewing by Canadian audiences other than TV sources, in territories whose members ---- for economic reasons or otherwise, ---- may not be able to provide themselves with TV sets or make themselves available as viewers at the specified hour of a designated day, which is the only one on which the material can be seen.

(3) Consider the establishment of a selection system in which the film on television of lasting national interest would be added to the national film library.

Referring to the previous statement, that



the film was fundamentally the basic physical form of television programmes, the institute is concerned with the practical problem of how Canadians, not served by the national television system, can be economically served. There are two kinds, first geographical, those Canadians living in areas where they are not reached by television or served only by non-Canadian television and two, numerical, those people who for economic reasons, do not own television sets and the great majority of Canadians who may be unable to be waiting in front of a television set at the only hour of the only day when some programme of importance and interest to them can be seen.

This is the basis for our request for a study of a means for realistic national distribution, through film, of the nationally important programme material.

On television and educational film, in the last paragraph on page 5, we say, if there was one special benefit to be expected from the development in Canada of this new audio-visual means of reaching mass audiences, it seems to lie in the ability to inform Canadians about themselves and their country. That the educational film is a practical means of familiarizing those who live here with the Canadian scene, has already been proven. That the Canadian documentary is suited to television was demonstrated by considerable



use of such films on American stations and networks before the first Canadian TV programme went on the air. In this area Canada entered its own television period with a reserve of trained talent and an historical record of success.

With this major new avenue of access to the public opened up, it was logical to assume that, using the visual story-telling techniques, at which Canadians had already become adept, Canadians in all parts of the country would, in due course, see all other parts, become acquainted with the people and familiar with their activities.

On film economics, the economics of motion pictures ---

THE CHAIRMAN : Before you go on to that subject, just on the previous paragraph, which you did not read, you say:

"It does not appear that all the available skill and ability in Canada outside of the studios has been fully utilized."

And so on -- just exactly what do you mean by that paragraph?

MR. TOPSHEE : Well I think we can say here sir that this has not happened yet, the interpretation ---

THE CHAIRMAN : But you say the skills and abilities are not being used.

MR. TOPSHEE : Sir, may I say that I was not alone in the preparation of this brief.





THE CHAIRMAN : I don't want to press you if you don't know, but I am anxious to get at why it is you feel that application has not been made of the skills and abilities which we possess, and I wondered if this amounted to a charge, for example, that we are not using the facilities of the private film producers sufficiently to produce television films, or that we are not using the facilities of the National Film Board to produce films, or what it is?

MR. TOPSHEE : I should like to document this fully, if I can; might I make a written submission?

THE CHAIRMAN: Oh yes. We just want to get at what it is, if there is something. What is the failure that you are charging. But I interrupted you and you were going to deal with film economics.

MR. TOPSHEE : Yes, with your permission, may I reply in writing to your question?

THE CHAIRMAN : Yes -- would you send it in to Mr. Peltier?



MR. TOPSHEE: The economics of motion pictures works both for and against the increased use of film material on television. The quoted Toronto TV rate for an entertainment feature is less than the normal earnings of a successful picture in North Battleford, Saskatchewan. As a market, Calgary television is less important to feature film distributors than the non-theatrical 16 mm territory in the area around Kapuskasing, Ontario. Of course, as long as television finds acceptable old inventories of used film for which no other known market exists, there is no reason why rates should be higher. But the situation does rule out television as a serious bidder for new material from the better production sources.

Reviewing the situation as of that time, there were these points.

(1) Documentary represents only one type of film for television. Canada had not developed other techniques and would need to do so.

(2) The essential uses of documentary films are not consigned to television nor in any way reduced by the development of television.

(3) Canadian Film Institute feels that not only should the division between types of film making and types of film use be recognized but that production and distribution on the one hand should be separated from exhibition, that is, the presentation of the film whether on television or to immediate audiences. For



example, how the existing Canadian film making ability should be used on television, and to what extent is the responsibility of those concerned with programming, CBC and private stations?

In our own case our staff must find films wherever they may be, to meet the needs of scientific, medical, educational, cultural and other film using groups we serve. In theatres it is the responsibility of the bookers to locate and acquire the film material that suits his audience. Likewise on television there must be responsible officials performing the same function, finding sources of films, making selections or, if necessary, developing sources.

With reference to the National Film Board, it had developed a highly specialized technique of presenting factual information visually which had won world recognition. This documentary technique is suitable to television, but it is only one of the techniques suitable to television, and such Canadian films are also required for other uses. National Film Board produces for international theatrical use, non-theatrical in Canada and abroad, and for the special needs of Government officials and departments. We do not feel that the appetite of television for Canadian film should be allowed to shove these necessary functions wholly into the background.

There has been some question as to





whether the CBC should engage in film production. If CBC is in television it is automatically in the film business. Film, as we have said, is the physical form of television programmes. The CBC is the national agency designated to provide Canadian television programmes and live programmes which are on and gone so quickly they can fill only part of the requirements. Therefore, any question as to whether or not the CBC should engage in production is in our opinion academic under present-day Canadian conditions. Outside of CBC and the National Film Board there are forty-six other producers of films in Canada, most of whom serve business and industry as well as television. We respectfully suggest that the present problem is not whether this agency or that should engage in film production for television but whether the total facilities of the country, public and private, are sufficient to meet the needs of the new medium.

THE CHAIRMAN: Are they?

MR. TOPSHEE: We do not think so. On the effect of education, because of the number of educational groups that are members of the Institute, we have got to avoid the confusion that arises from the loose use of the word "education".

In our brief, on page 8, we say:

"Television can build an informed public or develop a better informed public or raise the level of community



understanding or create changes in public beliefs and opinions or increase the knowledge of groups or individuals on subjects in which there is an existing interest. But it is not a substitute for the formal processes of education."

On page 9 we define education as the organized process of teaching a set curriculum for a stated purpose.

We do not think that educational stations, as in the United States, are practical for Canada. We are more concerned with closed circuit educational programmes. There is, though, filmed material over television in Canada which a different method of presentation could make more valuable. An American television programme which was made available on film was one of the most popular films in our collection over a period of about eight months. This was the Ed Murrow interview of Oppenheimer in his Princeton University office.

Our viewpoint on education is held by both French-speaking and English-speaking members of the Institute. If I may, I would like to call your attention, if it has not already been brought up here, something on national educational television in the United States, a publication of the National Radio and Television people, if you would like to have this.

THE CHAIRMAN: I think we have it.



MR. TOPSHEE: In conclusion, in making this submission, the Canadian Film Institute is presenting matters for suggested future consideration and not criticism. The Institute recognizes that in the present organizational stage of television in Canada the task of constructing the physical facilities required to operate on a coast-to-coast basis, staffing the stations and keeping them on the air is of itself an undertaking sufficiently huge to leave little opportunity for anything else. By its nature, the industry will always be subject to constant, highly conflicting pressures, as evidenced, for example, by public demands to keep Canadian TV wholly Canadian and at the same time to present all the more popular programmes of American origin.

The average television programme is on and gone forever within minutes, and as a result public reactions are often apt to be transitory and impermanent, extending in many instances no further back than last night's programmes and no further ahead than those scheduled for next weekend. In these circumstances there may be, it is hoped, some advantage in placing on the record some questions which are fundamental and long-term. With your permission I will close there.

THE CHAIRMAN: Mr. deGrandpre?

MR. de GRANDPRE: Mr. Topshee, do you feel in the main there has been a sufficient





cooperation between the CBC and the National Film Board and other private film producers in Canada, or do you think that there has been too much importation of American films when the Canadian supply was wide enough to meet the demand?

MR. TOPSHEE: We do not think that there is a Canadian supply sufficient to meet the demand even with the backlog of films that have been accumulated over a period of years.

THE CHAIRMAN: What do you think we should do?

MR. TOPSHEE: It might be possible to encourage further production of Canadian films, but this, of course, is expensive, the whole film market is in a state of flux, probably because of television; with theatrical earnings dropping and television earnings increasing, the television market for film is becoming larger, and perhaps until some time in the future there may not be sufficient income from the television market alone to warrant film production. This, we think, is another argument for making available television films for other use.

COMMISSIONER STEWART: To what extent do you visualize the use of film on television in order to reach the statement you have made that there is not sufficient film to service the television industry?

MR. TOPSHEE: Well, we find there is



not sufficient film to serve the interests of the users of our collections. For instance, last year we imported a good many films from other countries.

COMMISSIONER STEWART: That is to service the television system in Canada?

MR. TOPSHEE: Not exactly, no, the Canadian Film Institute.

MR. de GRANDPRE: Just to meet the demands of your groups?

MR. TOPSHEE: That is right.

MR. de GRANDPRE: Which are listed in the appendix?

MR. TOPSHEE: That is right.

MR. de GRANDPRE: You had to import films?

MR. TOPSHEE: Yes.

MR. de GRANDPRE: I understand you have approximately 240 to 250 members?

MR. TOPSHEE: We have now about 300 members.

MR. de GRANDPRE: Three hundred?

MR. TOPSHEE: That is right, those include the corporate members and organizations of various kinds.

MR. de GRANDPRE: Yes, I made a very rough calculation and reached a figure of approximately 240 or 250, when the brief was prepared.

MR. TOPSHEE: That is right.

MR. de GRANDPRE: This has now increased



to close to two hundred?

MR. TOPSHEE: About three hundred.

COMMISSIONER TURCOTTE: The film that you import is more or less entertainment, more or less of an art type that cannot be seen in commercial houses?

MR. TOPSHEE: Some of them are.

COMMISSIONER TURCOTTE: Is it not most of them?

MR. TOPSHEE: I should not think so. Last year, for instance, we imported for our members who wanted to purchase them in Canada, some \$20,000 worth of films; these were educational films and documentaries.

COMMISSIONER TURCOTTE: And documentaries?

MR. TOPSHEE: Yes, and this does not include the film that was brought in for rental.

COMMISSIONER TURCOTTE: Most of the films which you mention are brought in on a rental basis.

MR. TOPSHEE: Last year there were, I think, 55 feature length films brought over from the United States for film societies.

COMMISSIONER TURCOTTE: Mostly of the class that do not have much of an appeal in commercial houses?

MR. TOPSHEE: That is right.

MR. de GRANDPRE: Now, you also make the suggestion that the TV films should be circulated in the areas which are not now





served by TV or in areas where TV service is given and can be circulated to homes that have not TV sets.



MR. TOPSHEE: Well, not necessarily in homes. That is the point we made to support the contention that films used on TV would be useful for other purposes and should be made available, and, at the present time ---

MR. de GRANDPRE: They are not?

MR. TOPSHEE: They are not.

MR. de GRANDPRE: As you know, one of the reasons why these films are not used for those specific purposes is that labour agreements impose a certain percentage of the cost to be applied for each film. Were you aware of this situation when you made this recommendation?

MR. TOPSHEE: Yes. I think there are other considerations, too, possibly in the rights to various parts of the programme. And selection is a problem. It probably is obvious that all material that is shown could be preserved. That is true of all media, but a problem of selection is a big problem. However, full rights would have to be secured to anything that would be saved, and this is the crux of the problem. How that is to be done we cannot suggest, perhaps, after selection has been made and obtaining full rights to the material selected. This is economically unsound at this time.

MR. de GRANDPRE: As you know, labour agreements now in force stipulate 65 per cent of the fees paid to the artists will have to be paid again for each showing, or any future showing ---



THE CHAIRMAN: Strictly speaking, the peak showing on television.

MR. de GRANDPRE: There is that distinction, but labour agreements are silent on showings outside of television cities, so, undoubtedly, other arrangements will have to be made.

MR. TOPSHEE: We did not think that this was something that could be achieved immediately or in the near future, but we wished to place it on the record and point out that especially in reference to one particular medium, film, that some series of programmes produced in the United States are available for other uses. They are available as a one-hour film or a half-hour TV programme, and available not only in the United States but Canada as well.

MR. de GRANDPRE: And the rental cost of these films is equal to the sponsorship -- to the rights -- ?

MR. TOPSHEE: The rental cost is related to the rental cost of other films.

MR. de GRANDPRE: When you made the recommendation about archives, did you have in mind any special machinery that would have to be set up in order to preserve these films and classify them and to circulate them?

MR. TOPSHEE: May I say there, that the question of archives for film material is one that has been considered, is considered, and probably will be considered, and we just wish briefly to go on record as favouring some





record for archival purposes for TV preservation.

MR. de GRANDPRE: You did not state in detail the mechanics of this suggestion?

MR. TOPSHEE: There is a committee of film archives on which we have a representative, which is considering this at the present time.

THE CHAIRMAN: A committee of what?

MR. TOPSHEE: Representing different interests in Canada of film archives.

THE CHAIRMAN: You mean a self-appointed committee?

MR. TOPSHEE: A voluntary committee with representatives -- that is right -- a group that is working.

THE CHAIRMAN: Thank you very much, you have made it quite clear there are many points in your brief that are not directly within our Terms of Reference, as you well understand, and there are also a number of points you are thinking of for the more distant future which you very frankly set forth in that way. Thank you very much.



SUBMISSION OF  
CO-OPERATIVE UNION OF CANADA

Appearances:

Ralph S. Staples, President

W. B. Melvin, National Secretary

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THE CHAIRMAN: Mr. Staples, will you present your brief?

MR. STAPLES: I would like to introduce my associate, Mr. Melvin. I don't know what the views of the Commission are, if it is your wish to adjourn for lunch it will be of no inconvenience to us.

THE CHAIRMAN: Would it be an inconvenience not to adjourn?

MR. STAPLES: No, sir.

THE CHAIRMAN: We will mark your brief, Mr. Staples, as Exhibit No. 325.

EXHIBIT NO. 325: <sup>1</sup> Brief of The Co-operative Union of Canada.

THE CHAIRMAN: I think you know our procedure. We would like to have the brief either read, where it is short, or summarized, whichever is the most efficient way of doing it.

MR. STAPLES: This brief of ours is a very short brief and is only a summary of our position. I think it is not necessary to either read it or summarize it. I assume the Commissioners have read it, and if there are any questions the Commissioners would



like to ask, in that way our attention would be focused on the points they have in mind.

Just by way of introduction, the Co-operative movement does view with apprehension any suggestion that the control of broadcasting, the real power and control of broadcasting should be shifted to any extent from the public to the profit-seeking sector of the economy. It is our job to increase those sectors of the Canadian economy formed on a co-operative basis, and I don't have to explain what those bases are in this group. Our success is based on the understanding that people have democratic principles. The same principles apply to our agriculturalists, our social life, and we try to apply them to our economic life with some small success, but not the success we hope to see some day.

In that, the learning process, the educational process, is a very important part of it, and if the main criterion in broadcasting, both in radio and TV, should ever set its policy on the basis of showing a profit, then, we feel that the educational process in which we are particularly interested, the development of people and their ability to take group action, and all that is implied in that might receive scant consideration.

THE CHAIRMAN: You are not suggesting that the mere fact that a profit is made, that that necessarily makes education impossible?





You are merely saying in Canada, at the moment, the over-emphasis on the commercial side would cause a loss in the educational function?

MR. STAPLES: I didn't quite say we feel that is the case at the moment, although I think I could be encouraged to say that. We are afraid if there were any fundamental change along the lines suggested by some people here in the control of broadcasting that that could easily happen.

THE CHAIRMAN: Before you get to the question of fundamental change, you were making the point the criteria may change the educational job that radio and television were doing. Am I right in stating it that way?

MR. STAPLES: I think that is correct.

COMMISSIONER STEWART: The ability of the CBC to make a loss probably includes their ability to make a profit.

THE CHAIRMAN: What I am saying is this: you must surely be influenced by the consideration, the particular economic consideration you are dealing with. You are implying the profit-making process is inimical to education.

MR. STAPLES: We think the appropriate part in the economy where the control should be is on the basis of ordinary listening user control or public control, and we would like to see those principles extended that exist in radio broadcasting, but we are realistic enough to admit that is a long way in the future, if



it is in the future at all. The only practical alternative we see to that, that has the elements of safety from our standpoint, is to have public authority in very firm control in order to protect that policy for the purpose of service to the people and not for the purpose of showing a profit.

I come back to the question you keep raising. I am not quite sure I am making myself clear.

THE CHAIRMAN: I think you were suggesting, as I said a moment ago, that there was something in the business of making a profit that was inimical to education. I was wondering if that was your point, and I am saying if you run a television system with the objective of making a profit in the kind of country we have at the present time, you are bound to have your programme suffer and education would suffer.

MR. STAPLES: I am afraid if the situation was dependent on advertising, or the CBC were dependent on that as main source of income, it would be necessary to produce a programme that could be sold to a sponsor, and that, inevitably, is going to have an effect on the content of those programmes. I don't see how it can be otherwise. We say the main intent should be service to the people, a purpose that can never be financially successful in the ordinary sense of the term, so there must be some other measure of success.

THE CHAIRMAN: If the programme of an



educational value could, in fact, be sold you wouldn't have that objection to it, would you?

MR. STAPLES: You are raising the question of sponsorship for so-called educational programmes. Perhaps I may be a little skeptical, but I just cannot believe over a period of time the content of the broadcast would not be influenced. I realize, if you take a programme that is already produced and then search for a sponsor and find one, and associate his name with it, as it presently exists, it is not going to affect the content of that programme very much, but over a period of time this situation, if it is going to be dependent in large part on revenue, will have to set up a sales department. A sales department job is to sell these things, and eventually the salesman is going to come back and say, "We cannot sell these programmes; make the programmes so that we are able to sell them." I just cannot believe there wouldn't have to be a close relationship between those parts of the business as there is in any other business.

In conclusion, since this concerns the most vital area in our life -- that is, communication -- we certainly hope the area will not be lost to public authority in any important measure. There are other comments we could make on parts of the brief but I feel, perhaps, Mr. Chairman, it might be





more profitable if we asked for any questions.

THE CHAIRMAN: As we have already stated, we have read the brief, and it is a short one and the points you make are perfectly clear-cut and definite and it is certainly one brief in which I think there is no need for clarification. There may be some questions that we may have as we go along. I don't think we need to cover the points in the brief as we have them here.

MR. STAPLES: That was our thought.

MR. de GRANDPRE: I would like to know how this brief was prepared, Mr. Chairman. Can you tell us, Mr. Staples, if this was the work of a committee set up by your organization who prepared the first brief and circulated it amongst members of your various units of your organization and discussed it at the local level?

MR. STAPLES: In answer to that, Mr. Chairman, we had some difficulty in our organization, because, as I said, it is a large organization and its membership and control is spread from one end of Canada to the other. In addition, we have made a number of presentations to members of the House of Commons on radio broadcasting, and our policy has been clear for quite a while on some of those matters.

This actual brief was written by the National Secretary of the Co-operative Union of Canada, and circulated among our membership,



and finally confirmed by resolution at our annual meeting at a congress here in Ottawa in the middle of April, but the date was set and the brief had to be filed in some form before the congress was actually meeting. After due consideration this brief was endorsed ---

THE CHAIRMAN: By your full meeting?

MR. MELVIN: It might be worthy of note, the content of the brief does not go outside matters brought up at meetings in past previous congresses or past meetings.

THE CHAIRMAN: You realize we are not questioning your brief, but want to know what lies behind it.

MR. STAPLES: It is an important point.

MR. de GRANDPRE: I can see you do not want any radical change, or change at all, in the present organization of our broadcasting system, but on the other hand you point out the CBC should be more strict in exercising control of broadcasting, which some times has not been the case -- that is at the top of page 3.

MR. STAPLES: Yes.



MR. deGRANDPRE: And this ties in with some of the representations that we have received -- as a matter of fact, several representations that we have received -- that the CBC as presently constituted is quite uneasy to enforce the regulation, and they have suggested several changes, one of which would be that the enforcement department of CBC should report direct to the Board of Governors, and should be completely independent from the Station Relations Department of which it is now a part. Would you like to comment on this?

MR. STAPLES: Well, Mr. Chairman, I couldn't comment on how the control should be exercised in a technical way. As we suggest there, we are concerned that there should be a very effective element of control with respect to broadcasting in Canada whether on publicly-owned or privately-owned stations. We have had some very disturbing experiences in that connection across Canada, and some of them shook us pretty badly.

THE CHAIRMAN: What kind of experiences?

MR. STAPLES: For instance, when we were discussing, studying through our Royal Commission on the taxation of cooperatives, while the Commission was preparing its report, interests that were not sympathetic to the cooperative movement purchased time for spot announcements on a large number of privately-owned stations in Canada for the broadcast of information that we considered to be quite misleading. For instance this sort of thing -- and I don't want to take a lot of time on it --





but here is the wording of one: "As you fill out your income tax returns this year you can figure you are paying an extra \$50 in taxes simply because cooperative government and municipal businesses failed to bear their fair share of the cost of winning the war."

THE CHAIRMAN: Let us not get into the other Royal Commission here, as to whether or not cooperatives should be taxed this way or that way. The point I am getting at is, are you suggesting people should not be entitled to buy time for putting out anything they wish to put out on the air?

MR. STAPLES: I would agree with many authorities, some of them in the CBC, that time should not be available for that sort of thing just because there is money in it.

THE CHAIRMAN: Well, I am not concerned with the authorities in CBC. What about your view?

MR. STAPLES: That sort of thing, in our view, should not be available just for money.

THE CHAIRMAN: Do you mean to say people should not be able to buy an ad in the newspaper?

MR. STAPLES: That is a little different medium, because there is an opportunity of replying. Most newspapers will have Letters From The Readers, or that sort of thing.

THE CHAIRMAN: You may have some device in the newspaper for a free reply, but if you have an agency for reaching the public and if you have any allocation of buying time on that agency, surely



you are not suggesting censorship of the kind of thing that can be purchased?

MR. STAPLES: No, not at all. I am not making myself clear. I certainly don't object to the presentation of all points of view on some matter of public interest on the radio or in the newspapers or television or anywhere else, but we must be very careful that all points of view can be presented, that all points of view have an equal opportunity to use that medium.

THE CHAIRMAN: As far as equal opportunity goes, there is nothing to prevent you buying time, except possibly the difficulty of paying for it?

MR. STAPLES: Yes.

THE CHAIRMAN: And this is true also of advertising in the newspapers, of hiring halls and putting out pamphlets and writing books, and doing a thousand and one things. Are you going to exclude this access to the public by way of page space, so to speak, from the television and radio?

MR. STAPLES: Well, I would go further in the direction of excluding it in some cases.

THE CHAIRMAN: Would you exclude it at all? If it is untrue, there are laws of libel and slander.

MR. STAPLES: Take the field of political broadcasting which is a good example --

THE CHAIRMAN: Don't let us get off the example you chose: you chose an example of controversy in which you were involved which is not



a political broadcast. Now, should the interests, or should you, be prevented by law from obtaining time for a payment on radio and television?

MR. STAPLES: I would say that my answer would be yes, unless some way can be found of giving opportunity to those who are under attack to reply without them having to raise the necessary money to do it themselves directly. That might be impossible. You can make a statement like the one I was quoting in one minute, but you can't correct it or answer it in a minute -- not every time.

THE CHAIRMAN: Are you not really introducing censorship of advertising content on the air waves?

MR. STAPLES: It could be put that way, but, to my mind, it doesn't apply to that area. The word "censorship" does not apply any more than it applies to political broadcasting. I am not suggesting censorship in the terms in which it is being used. I am suggesting full access to the air waves.

THE CHAIRMAN: Let us take political broadcasting: There is a certain amount of free time given in political broadcasting. Are you suggesting political parties should not be able to buy time on the air?

MR. STAPLES: Isn't that the case now as far as CBC is concerned?

THE CHAIRMAN: As far as the CBC network is concerned, but they can buy on a private station time that they want, and I would suspect this taught





time you are talking about in the other case was on private stations.

MR. STAPLES: I think it was, yes.

COMMISSIONER TURCOTTE: Is the subject you are talking about a fit subject for a Citizen's Forum on the CBC, where you get free time?

MR. STAPLES: Is the discussion of this subject suitable for Citizen's Forum?

COMMISSIONER TURCOTTE: Yes.

MR. STAPLES: Yes.

COMMISSIONER TURCOTTE: Or a panel show where you get free time along with the other party.

MR. STAPLES: Yes. I think some panel discussions and other discussions on the air are excellent. So far as is possible within the confines of the time available all the major points of view are set before the listener.

THE CHAIRMAN: But you were using the illustration of political broadcasts. This all came up out of a question which is a long way from it, the question of the CBC being more strict in its control and you said you had some very unhappy experiences, one of which was this one in connection with the Royal Commission on Cooperatives, and then you moved into the political front. Do I take it from that sequence of thoughts that you feel time should not be purchasable on the air for political broadcasts on private stations?

MR. STAPLES: As far as our organization is concerned -- and perhaps I should stick to our



official policy so far as that is possible -- so far as our organization is concerned, we are pretty clearly on record as being in opposition to the use of broadcasting time for money. That is the only measure. Now, if some way can be found so that all viewpoints have equal access to that medium of communication, that would be, I think, ideal.

COMMISSIONER STEWART: Don't you think we have equal access now? All of them have the right to buy time on the private stations. There is no prohibition on that, so the question of equal access, I don't think arises.

MR. STAPLES: It seems to arise as far as we are concerned because we feel at a disadvantage. The cooperative movement in Canada is extensive and wide-spread, but it is relatively small compared with other elements in our economy. Our people, when they hear a broadcast which they regard as an attack on the things that they believe in, don't appreciate it, and they feel helpless in the face of it and they realize that a few words could not be answered, even if they could buy the time to an equal extent, in a minute or two.

THE CHAIRMAN: This inequality may very well exist, and it may be unfortunate, and from your point of view and your members point of view very undesirable, but is the solution the suppression of the rights of your opponents to express their opinion, by law?



MR. STAPLES :        Yes

Well you have used terms that I find it hard to agree with Mr. Chairman, but I think that is what it amounts to.

THE CHAIRMAN :    Well I don't mean to make offensive statements Mr. Staples, I am only trying to understand what you are saying and it seems to me that you are proposing in these specific instances that you have given us, that because you may feel this inequality, you are going to pull the strength of the other person down to your weakness.        Is that not so?

MR. STAPLES :        It is not a question only of feeling inequality from the standpoint of ability to buy time.        The inequality does exist, and I should imagine that is why the CBC makes certain - on all matters of public policy - that the major elements have an opportunity of expressing their views.

THE CHAIRMAN :    Well to some extent you can lessen this inequality by the provision of free time and of free facilities of one kind and another.

MR. STAPLES :        That is right.

THE CHAIRMAN:        That is the positive way of trying to at least reduce to some extent this inequality but, I thought you were saying and I certainly think it was implicit in what you were saying, that there should be some kind of prohibition or restriction on people buying time in this or any other media.







However, if you do it on the air, you will have to logically extend it to every other medium of communication and we are going to have a censored state in no time.

MR. STAPLES : Oh, I wouldn't want to see that Mr. Chairman, but I do think that it should be possible to find a way of making the airwaves available.

THE CHAIRMAN: We are trying to make the airwaves available.

MR. STAPLES : In all shades of opinion even though they are not necessarily able to pay for it at commercial rates.

THE CHAIRMAN : Well all right --nobody is objecting to that, - to have given that very discussion which may be put on whether by public or private stations, but having done so, in terms of making it available, there is only limited time and limited facilities for doing it. Do you go on to say that there should be artificial restriction on the other people who may wish to buy time?

MR. STAPLES : Well I would like to say that more attention should be given than has been given to this point. We would not like to see an attempt at complete censorship or anything like that. All we want is some fairness.

THE CHAIRMAN: Complete censorship? It has a pregnancy surely -- censorship is censorship!



Any censorship - if you recognize any censorship?

MR. STAPLES : Well I don't know quite how to answer that question.

THE CHAIRMAN : Well let me put it another way Mr. Staples. You say that the CBC should be more strict in enforcing control of broadcasting than has sometimes been the case?

MR. STAPLES : Yes.

THE CHAIRMAN : Have you any other suggestions as to how to do this? As to how to be more strict - in what respect should they be more strict and what things should they control?

MR. STAPLES : The CBC has the public authority and control of broadcasting systems in Canada and should go as far as it can in the direction in which it has already gone, to some extent, to make certain that all important shades of opinion upon vital issues, have an equal opportunity to make themselves heard.

THE CHAIRMAN : Well with that statement I wouldn't think that anybody could possibly disagree. However, that is not a question of strictness in exercising control. That is the positive thing in giving an opportunity for the greater expression of opinions and I am not opposed to your idea. I am just trying to understand it. What kind of control and what kind of strictness do you suggest the CBC should exercise ?

MR. STAPLES : Well that is a more technical



question sir, and I cannot answer it.

THE CHAIRMAN : I am not talking about how they should do it. I am talking about what you want prevented by control. I could understand you saying that you don't want so much advertising - that may be one answer to your suggestion - if you want shorter advertising messages for instance --

MR. STAPLES : Mr. Chairman, we agree that advertising should be made available to those who want to buy it. But, if, under the guise of advertising, injurious or malicious information is placed before the listener, then somehow surely either the private stations that broadcast the information the first time, or the CBC, or some organization, must be certain that those who feel themselves injured will have an opportunity to reply, and when I say reply, I mean reply effectively - the effective opportunity to reply. Now, if it involves censorship, it involves censorship. However, I don't say that I was thinking in those terms; I was thinking of it from the positive side.

THE CHAIRMAN: Well of course, if you say injurious information - it is false?

MR. STAPLES : I have used the word "misleading".

THE CHAIRMAN: Well, misleading -- there is





a law that operates in this field - there are the libel and slander laws.

MR. STAPLES : Well the kind of thing I had in mind is not, perhaps, going that far, but could be injurious, nevertheless.

THE CHAIRMAN : But if you get into the field of libel and slander or defamation, is it not in our system of public philosophy, the fact that the only answer to something that is misleading is to have other people do what they can to put it right - and I would assume that that is what your organization is designed for?

MR. STAPLES : Well that would be one of our functions. I am sorry that I cannot make myself clear on this. It seems to me a point of great social significance; new things or new ideas that start - it may be a movement which is relatively new or it may be something else - and it may or may not have great social value - we don't know for a hundred or a thousand years for sure - but they should be nurtured and should be given every possible opportunity to interest people and to draw their tenets to the attention of the people. They should not be plowed under; they should not be steam-rollered out of existence just because at some early point in their lives they don't have as much money as some other organizations that are of particular interest. I am not making a plea for co-operative propaganda, or any other line, but I am



trying to talk in very general terms and I think it is extremely important to the history of the human race, that this be the case.

When there was no TV, or radio broadcasting or huge chains of newspapers, it was much easier than it is today - or than it might be becoming today - but just as soon as one of these new, little plants starts to poke its head through the ground it is completely snowed under by a wave of propoganda carried on by organizations and individuals well able to pay for it.

MR. COMMISSIONER STEWART: You do agree surely, that there should be freedom of expression of opinion?

MR. STAPLES : Oh entirely. Absolutely. That is the very thing that I am asking for!

MR. COMMISSIONER STEWART : But is that not the very thing they are exercising when they attack you - is that not freedom of expression of their opinion? They don't perhaps like your methods, and they may have reasons for that, although they may not be in your opinion good reasons. However, surely they have the right to express their opinions?

MR. STAPLES : Oh I agree with that entirely, but it is a one-sided freedom - it could be one-sided.

MR. COMMISSIONER STEWART : No - you can express your opinions, too. You may not



use the same medium for a variety of reasons, but you still have the right to express your opinion - it is only the choice of medium.

MR. STAPLES : Yes, of course, but it could become, I think, and unless care is exercised it will become, a very one-sided struggle, because nothing that is new in the realm of social or economic ideas will be financially strong, and, if money is the only way of access to these important media of communication, then, I suggest, the situation is a very dangerous one.

THE CHAIRMAN : To go back to your illustration of the plant, in the field of ideas -- surely the plant, the idea, has to win its place and that has to be done in the open air. If you start putting everything under glass and under protection, you are going to get an awful lot of weeds are you not?

MR. STAPLES : Well - if we go on with our comparison, our plant example, a great many very important plants are reared under glass. A lot of them wouldn't get started unless they were.

THE CHAIRMAN : But this is what you are doing in your organization. You are creating a little hot house place for getting ideas going, and when they are strong enough you take them out and put them in the open air.

MR. STAPLES : All right - but the







minute we get them out - perhaps if we can go on with our illustration, although I think it may be outliving its usefulness at this point, - the minute we get them out they are vulnerable to attack on such a scale that there is no hope or possibility of effective reply.

Then you might just as well not bother with the greenhouse or the plant in the first place.

THE CHAIRMAN : I think perhaps we are getting a long way off our report, but I would just say this, that I think I have greater faith than you have in the strength of good ideas. I believe if an idea is good it will live, but let us go back, you say "We think the CBC should be more strict in exercising control of broadcasting" -- now this is something that we do have to consider and we are anxious to get all the help we can, on the ways in which you suggest the CBC should be doing this. In this regard you have already said that you would like them to give more opportunities for the expression of views. Fine, that is one thing, but that is not a matter of exercising control. We want to know what kind of control you are really suggesting.

MR. STAPLES : Well I think this is an area which requires a lot more thought and study than anybody has given it yet, but for instance, the kind of thing I am thinking of, is this, - a



member of a co-operative in Alberta or New Brunswick or some other place like that, who hears one of these broadcasts, the kind of thing that I was referring to for one example, I think would feel fairly well satisfied if his organization or his group of organizations in that province - wherever it is - had the opportunity to get together to formulate some sort of protest - if they could convince the broadcasting authority that they had a case where some injustice had been done.

I am not going to the length of transgressing the existing legislation or anything like that, but let us say that there has been something unfair - to use a general term - that they could be given access to broadcasting facilities, which covered substantially the same area, in sufficient time to really answer the arguments brought forward. I think that might take care of it, pretty well - it would not involve sponsorship in the ordinary sense of the term, at least

THE CHAIRMAN : Well then, let's take that particular illustration. The kind of thing that you are objecting to is when someone has bought time on a private station, and a statement has been made which you don't like, or your groups don't like. There is nothing today to prevent them from getting together and formulating an answer to this and going to the private station



and asking for time -- this is a matter of public interest and they would like to have some time to speak. They may or they may not get it, but do you suggest that, whether you do or do not get it, this should be a matter of CBC directive to that particular private station - that they must give time to you?

MR. STAPLES : Well, we would rather think that that should be a matter that is given more attention than it has been. Of course, it has actually happened in some cases, some groups have got together and have gone to the private stations and have got time.

THE CHAIRMAN: But how could you have your central organization as long as you have said in your very next paragraph that the private radio and television stations have made a valuable contribution? If you are going to have private TV and radio stations, you will have to let them run their own activities, to a considerable extent, and if the CBC stations tell them that they must take you and half a dozen other people to answer something you didn't happen to like, you are going to cease to have private stations.

MR. STAPLES : Once again you are asking me "how" and I am not the proper person to answer that question.

THE CHAIRMAN: I am not asking you "how"





- I am asking you "what". I am asking you what control you are suggesting. You have this here in the brief ---

MR. STAPLES : I think that if it could be generally established that if a station permits the use of its facilities for this kind of thing then they must, under certain circumstances, provide the opportunities for a reply, somehow I can only state it in general terms, you see; and the mechanics of it would have to be worked out by others. I cannot however believe that it could not be done without disturbing the principals on which our broadcast system is based, too seriously. I just think it is a matter of an injustice.

THE CHAIRMAN : I think I have perhaps pressed you for an answer as far as I can Mr. Staples. Do you have any further questions on this point, Mr. deGrandpre?

MR. deGRANDPRE: No Mr. Chairman.

THE CHAIRMAN: Well then, we thank you very much Mr. Staples.

MR. STAPLES : May I just add one thing Mr. Chairman - it has to do with the manner in which the relationship between the CBC and the government of Canada exists. We entirely agree that the broadcasting system should be controlled by parliament but we are not quite sure that that is being done with enough thought being given to the



methods by which that control is being exercised.

THE CHAIRMAN : On that point we have had some evidence and suggestions that there may be something undesirable in having a minister who answers for the CBC, as a vehicle really, for conveying questions and getting answers back from the CBC, and so far, when this has been raised, we have not been able to get anyone who can tell us the kind of mechanics that can be substituted for this system.

In other words, if you don't have a minister for reasons that have been outlined - with which I take it you would agree - then what do you have - and how do you in fact make the CBC responsible to parliament ?

MR. STAPLES : Well I think perhaps parliament might rely even more than it has relied on perhaps a special committee of the House of Commons on broadcasting, or a standing committee, I think that exists, I wouldn't be sure, through which most of the questions concerning broadcasting could be cleared and cleared with the officials of the CBC and others if necessary.

THE CHAIRMAN: Do you have any other suggestions as to the mechanics whereby the problem could be solved ? ---

MR. STAPLES - No.



THE CHAIRMAN: It is a practical problem?

MR. STAPLES : That's right.

THE CHAIRMAN : On how you can deal with the mechanics of the system in such a way as to have the people of Canada represented in the control of the CBC and at the same time, deal with the practical things that have to be done and the questions and answers. At the present time, under our constitution, the minister, as Dr. Lower said the other day, is the only person who can introduce a money vote as a member of the government. Therefore, if you have to have money, you have to have somebody who puts in a bill.

Do you have no other suggestions?

MR. STAPLES: No sir.

THE CHAIRMAN: You are just concerned about possible interference?

MR. STAPLES : Yes.

THE CHAIRMAN : Well thank you very much for your brief Mr. Staples, we will now adjourn to 2.30.

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HEARING ADJOURNED AT 1 p.m.

TO BE RESUMED AT 2.30 p.m.





---The hearing resumed at 2.30 p.m.

THE LAKELAND BROADCASTING CO., LTD.

Operating

Radio Station CKLB

Appearances:

Mr. A.H. Collins

THE CHAIRMAN: The next brief we are to hear is that of the Lakeland Broadcasting Company Limited operators of radio station CKLB of Oshawa. We will begin by marking the brief as Exhibit No. 226.

---EXHIBIT NO. 226: Brief submitted by The Lakeland Broadcasting Company, Limited, operators of radio station CKLB.

THE CHAIRMAN: I am not sure, Mr. Collins, whether you have been in the room when we have spoken of our procedure but we like the brief to be submitted and then we have questions which are merely designed to find out what it is that you are saying and your views on other points.

MR. COLLINS: Thank you.

Mr. Fowler, members of the Royal Commission on Broadcasting, I respectfully appear before you as a supporter of democracy and in the interest of Canadian development of free enterprise of which Canada as a democracy should be proud.



I am appearing also in the interests of defending the right of private initiative and individual enterprise. I therefore present our suggestions for serious consideration by this Commission.

As has been pointed out in many briefs already presented before this worthy Commission, we support the belief that radio in Canada, both government and private enterprise should be controlled by a separate government body in keeping with our railroads, airlines and our grain elevators. Inasmuch as Canada has grown to a mature nation, there is no logical reason why CBC as a government agency engaged in broadcasting, should have any control over private stations. Such authority over private stations is incompatible with the development of free enterprise within a democracy.

I am in full accord with the resolution passed in May 1954 by the Young Liberal Federation of Canada, stating that it earnestly petitions the government of Canada to make the structure of Canadian Broadcasting System compatible with Liberal democratic principles by correcting the present inequitable situation wherein the CBC holds regulatory power over non-government stations with which it competes for audience and business. The solution the Liberal Federation of Canada suggests is the establishment of an independent regulatory body to license and regulate all radio and television stations in the nation.



Mr. Sam Ross, well-known publicist and radio commentator had this to say and I quote Mr. Ross: "Any government," he said, "which is in the position to dictate even indirectly what the public shall hear or should not hear could continue itself in power indefinitely, even through the present legitimate voting processes, which can be done through constantly assuring the public that all is well and barring any criticism of the government."

It is firmly believed that the power held by the CBC to formulate and interpret regulations, constitutes unfair competition with citizen-owned stations to initiate Canadian network operation and the right to enter into agreement with the U.S. networks in which CBC indulges. Advertisers, desiring national network coverage, is advertising business denied the citizen-owned stations. The power vested in the CBC Board of Governors could, if fully exercised, seriously jeopardize the very existence of privately-owned stations. In fact, further aggressive competition for commercial advertising and audience is pursued by the CBC as competitor, while acting simultaneously as regulator and controller of its opposition.

Unfair competition: it has been admitted that CBC TV pays a substantial part of up to 40 per cent of the talent cost of some commercial programmes for advertisers who wish to use their facilities. What that actually means is that the taxpayers





generally are subsidizing the advertisers to the tune of 40 per cent of their advertising programme. Private radio, of course cannot afford to subsidize advertisers when it produces a programme; when it sells to the advertiser, it must get the full cost plus the station time. The rate that the CBC offers the advertiser is not an economic one. Since the largest portion of the corporation's revenue comes from the taxpayer, the Corporation can offer the facilities of say 20 non-government stations to an advertiser more cheaply than can those identical stations themselves. The reason for this is that the only avenue open to private broadcasters, is mechanical reproduction. This system is usually more expensive, nearly always more cumbersome than networks. It is cheaper and more efficient to produce the same programme in a studio and feed it by network to the same 20 stations than to process a master recording and distribute same.

Any organization, whether government or otherwise, we believe should not be in the position to control the manufacture of it's competitor's products, i.e. the advertising content of programmes, number of commercials in any given period, etc.

The number of CBC regulations limits the control of citizen-owned stations over their own revenues. It is my belief that the government of Canada protects any and all businesses and individuals against restraint of trade, but here government itself, through the CBC has the power to exercise



restraint of trade. Regulation 11, for example, calls for periods to be reserved by citizen-owned stations for CBC programmes or use. It is wide-spread in its content and as written, permits the CBC to take over up to 100 per cent of the broadcasting time of non-government stations.

I believe the people of Canada are intelligent enough to be the judge of any station or stations which would tend to abuse their tastes. Therefore, the public being the judge, any station, so abusing the standard of good broadcasting, would automatically lose its audience to the CBC. If any product or service, whether shoes, motor cars or what have you, is manufactured contrary to the choice of the people, that product fails immediately.

Broadcasting in Canada should have a cultural effect on its audience but I submit that culture cannot be imposed upon the people of Canada. Canadian culture will develop from the grass-roots of its citizens, from the fields, the mines and the offices. Canada's culture will receive many contributions from England, France, Poland, Germany, Greece and other far-flung countries. New Canadians from these lands along with our own people will do much to mold a unique and a strictly Canadian culture.

It is respectfully suggest this Commission may be assisted in its mission by American radio and television broadcasters who undoubtedly could contribute a wealth of information from experience



with soaring television costs south of the border. It is difficult to see how an inquiry into Canadian radio and television can be complete without some examination of programming and production trends of our very good neighbour - the United States.

As a result of private radio being a junior partner, it, as an industry, has been confined, like a child, strictly in the local play-pen and has not been permitted to take mature steps beyond the confines of that play-pen. The industry has not been permitted to mature as an adult and to take its place in a full-grown country.

In summary: (1) we support the establishment of a separate, regulatory body, similar to the railways, airlines and wheat elevators.

(2) We support the privilege to establish national network.

(3) We believe that CBC should dispense with the Dominion network and such be replaced by private network.

In the interest of reducing the cost of CBC financing, we have this suggestion: that CBC produces, as it is now well fitted to do. Manufacture the good (programmes etc.) in Canada's key production centres and let private enterprise be the delivery agent of the productions.

With the advancement of modern electronics and the ultimate growing-up of our Canada and her broadcast citizens, I, as a broadcaster, along with a great many of my fellow broadcasters are prepared to develop radio and television in Canada under a good code of ethics.







We rest our cause with this honourable Commission, believing that those who are in broadcasting know more about the load carried by private broadcasters than do casual observers.

We submit to you in your good judgment to let private radio grow up and develop as an adult with the rest of Canada's industries.

That is a summary and I believe you have a copy of the brief itself and if you so desire I will read it.

THE CHAIRMAN: I do not think you need read it all, I think you touched on most of the points in it but perhaps in different words. Mr. deGrandpre?

MR. deGRANDPRE: Mr. Collins, referring to the printed brief that you have submitted to the Commission, I am referring to the summary of your suggestions and in sub-paragraph one you say this:

"... to have their relationship to the public broadcasting system put on a legal basis rather than being left to the arbitrary authority of their chief competitor."

MR. COLLINS: I am glad you brought that up, there are two words left out.

THE CHAIRMAN: Where is this?

MR. deGRANDPRE: Sub-paragraph one of the summary:



"We believe the present broadcasting Act needs bringing up to date to ensure private enterprise engaged in radio and television the right, presently denied them, to have their relationship to the public broadcasting system put on a legal basis --"

MR. COLLINS: Yes, well as I mentioned, I am glad you brought that to my attention because there are two words missing "legal" and "equal basis", those are the two words left out.

THE CHAIRMAN: Do you suggest your present basis is not a legal one?

MR. COLLINS: It is legal but not equal. I am using those two words together, definitely it is legal, yes.

THE CHAIRMAN: What you really mean to put in is "on a legal equal basis"?

MR. COLLINS: Yes, sir.

THE CHAIRMAN: You are not suggesting that your position is not now defined by law?

MR. COLLINS: Oh, no.

MR. deGRANDPRE: Then, you go on to say:

"... rather than being left to the arbitrary authority of their chief competitor."

Why do you say that it is the arbitrary authority of the CBC?

MR. COLLINS: Well, it is a decision



that is arbitrarily made by the powers of the CBC without the opportunity to appeal it. We apply for a decision and we have in most cases not got a reason for the decision, it is handed down and that is it.

MR. deGRANDPRE: Yes, but that could be a final authority but it does not necessarily mean that it is an arbitrary authority because I understand under the Act that the CBC must always keep in mind the public interest so if the decision is in the public interest it is no longer arbitrary because they have complied with the given standard.

MR. COLLINS: That is true if they make a decision in the public interest but again it is open that it could be otherwise.

THE CHAIRMAN: What do you mean by "arbitrary"? It is not certainly the same as not capable of appeal.

MR. COLLINS: Well, to my knowledge we have not any recourse, if a decision is given we have not any recourse.

MR. deGRANDPRE: There is quite a difference between an arbitrary decision and a final decision.





THE CHAIRMAN: But surely the use of the word "arbitrary" is wrong ? Arbitrary means that there is some unfairness, or some harshness or some dishonesty.

MR. COLLINS : We are not saying that there is, but we do say that there could be.

THE CHAIRMAN : You are saying it is subject to arbitrary authority, and you are also saying it is left to the arbitrary authority. In that sense, have you any examples of the exercise of arbitrary authority ? Have you yourself been subjected to arbitrariness in the actions of the CBC?

MR. COLLINS : No - the nearest one I can think of is the seeking of permission to join networks.

THE CHAIRMAN : Well that is different; - you say - in the example you mentioned - that you wanted a Polish language religious service originating in Buffalo and sought to buy time on the Oshawa service. However under the "no network regulation" a lucrative contract was blocked.

We have been asking and wanting to know when people have come in and have talked to us about these things, and used such words as arbitrary and unfair, and dictatorial and undemocratic and all these other rather general words, we have asked for some examples - some cases. We would like to know what is meant?



MR. COLLINS: Well in the Act it says we can do this if we get permission from the corporation, and the permission was sought, but, without any consideration at all, the answer was "no".

This was done without my having any opportunity to state a case or state why it could be advantageous if this could be done.

THE CHAIRMAN : What do you mean when you say that?

MR. COLLINS : Well I made reference to this Polish Catholic hour --

THE CHAIRMAN : No - did you not state what you were trying to do?

MR. COLLINS : I asked for permission to carry that programme, yes.

THE CHAIRMAN : Did you tell them why you wanted to carry?

MR. COLLINS : Yes.

THE CHAIRMAN : And did you give them the whole story behind it and make your submission to the CBC -- you say that you had no opportunity to state a case?

MR. COLLINS : Well this was in a telephone conversation, I mean, and before I could even finish up, the answer was "no", that it couldn't be.

MR. COMMISSIONER STEWART: Was any reason given?

MR. COLLINS : Just that we couldn't



be permitted to do so.

THE CHAIRMAN : When was this ?

MR. COLLINS : Under the Act it says that we have to have written permission ---

THE CHAIRMAN : When was this?

MR. COLLINS : About two years ago, sir.

THE CHAIRMAN : Was there any reason given why you couldn't take it in?

MR. COLLINS : No it was just that we weren't to associate with any networks - that was the reason.

THE CHAIRMAN : Was this to be a continuing operation - these Polish religious programmes ?

MR. COLLINS : It was a six months' contract.

THE CHAIRMAN : How often ?

MR. COLLINS : Once a year.

THE CHAIRMAN : Once a year or once a week ?

MR. COLLINS : Once a week -- the programme was once a week - that's right.

THE CHAIRMAN : Well what we are looking for when people use these words like arbitrary authority, is some example of something that is arbitrary. If you have a rule which forbids networks, except with permission, obviously permission is not an automatic thing.







MR. COLLINS : No - that is quite true.

THE CHAIRMAN : And therefore you cannot say it is arbitrary merely because, on one occasion, you wanted to have a network and were refused.

MR. COLLINS : Well, under the same rule of refusal it also says that we can do it with permission. That is what I wanted, but I did not have an opportunity to fully state my case before the "no" was given, and that was it.

MR. COMMISSIONER TURCOTTE : Was it because it was simply a verbal request? Could you not send it in in writing?

MR. COLLINS : I asked if I might send a letter and they were not interested in my doing so. It was "no," - and that was it, and that is why I would like to have that opportunity, and I say I wasn't given much of a chance, because I would like to have sent in a letter outlining the full details.

THE CHAIRMAN : There was nothing to stop you surely, from purchasing a five cent stamp and sending a letter in to the board of governors. was there ?

MR. COLLINS : No, there was nothing to stop me but if they say that they won't even consider it -- what is the use ?

THE CHAIRMAN : What department was that?

MR. COLLINS : The public relations department.



THE CHAIRMAN : The public relations department? Do you tell me that you would stop there if you wanted something?

MR. COMMISSIONER TURCOTTE ? Would it not be "station relations" rather than the public relations department ?

MR. COLLINS : Station relations yes.

THE CHAIRMAN : The board of governors is there, you know it exists, and there is a chairman of the board - why don't you get to work and put in your case?

MR. COLLINS : Well we could pursue it right to the prime minister if we wanted to - for that matter, I suppose.

THE CHAIRMAN : Of course. But still you have a regulation which says that except with permission there may not be networks, and therefore if you have such a regulation -- you can argue that there should not be such a regulation -- that is something else -- but if you have that regulation then obviously you can't expect to get permission every time you apply and if you don't happen to get permission on one occasion, I don't really see how you can call it arbitrary.

MR. COLLINS : Well it appeared that way from where I sat. I know we could have pursued it further - and gone right through to the prime minister for that matter, but it certainly appeared that it would be fruitless.



THE CHAIRMAN : Well, on the subject of networks, you have in the second column, page 2 the quotation of regulations - section 14 -- do you see it there---in the indented paragraph about a third of the way down --

MR. COLLINS: Yes.

THE CHAIRMAN : Where did you get that regulation?

MR. COLLINS : "No station may operate as part of a chain or network or broadcast a programme through network connection with another station or stations inside or outside Canada " --

THE CHAIRMAN: Would you give me the citation for that ?

MR. COLLINS : Well it comes under Section Fourteen.

THE CHAIRMAN : What do you mean it comes under section 14? It either is section 14 or it isn't.

MR. deGRANDPRE : It doesn't read the same way.

THE CHAIRMAN : Not at all the same way and it never has read the same way, either.

MR. COLLINS : With the exception of written consent.

THE CHAIRMAN : Well that is surely a very important exception, is it not? You are purporting to quote a regulation to us here, and you







don't quote it.

MR. COLLINS : Well I am proposing on this point - and it is the same as the other private stations - that we are not permitted to broadcast or operate networks.

THE CHAIRMAN : No no - Mr. Collins, ---

MR. COLLINS : Well that is right --

THE CHAIRMAN : Mr. Collins, what I am objecting to is someone who puts in a brief and misquotes. Not only misquotes the thing but I say leaves out something that is vitally important.

MR. COLLINS : Well in that particular case this was written by a party whom I employed and I didn't check on his quotation, - so that is my fault.

THE CHAIRMAN : Well you know perfectly well that always there has been in this regulation - "except with permission in writing". I am sorry I don't want to be upset about it, but it is very difficult - we have quite enough trouble in getting at the facts, without having to worry about misquotations and what look to be deliberate misquotations.

MR. COLLINS : Well I can assure you it was not deliberate.

MR. deGRANDPRE: On this same point of networks Mr. Collins, you say on page 2 in the first paragraph, where there are two sentences, and my first question will be directed to the first sentence--



MR. COLLINS : On the top of page 2?

MR. deGRANDPRE : Yes - it says "This station has found that some of the regulations for the control of sound broadcasting appear to be illogical and sometimes unduly costly to the operator". Can you indicate to me any regulations which you had in mind when you stated that they are illogical and secondly when you state that they are unduly costly to the operator ?

MR. COLLINS : Well I can only say that I make reference down further on the same page to the CBC refusal that looked illogical ---

MR. deGRANDPRE: Are you referring to the regulation that you mentioned in the following paragraph?

MR. COLLINS: No - I am referring to to the refusal that looked illogical in the matter of the application for the network.

MR. deGRANDPRE : Well surely there is an important difference -- the decision may appear illogical - but that does not make the regulation illogical. I think there is a difference between a decision that appears to you to be illogical and a regulation which, in your opinion, is illogical.

MR. COLLINS : Well the decision which is the refusal of the CBC - not the regulation - this was the application and that appeared to be illogical.

MR. deGRANDPRE: But you are referring



here to a regulation which appeared -- or regulations which appeared illogical, and unduly costly to the operator, and I am asking you which regulations you have in mind when you make that statement?

MR. COLLINS : Well, it is the "no network" one, that is illogical. I would say that that was the regulation that would appear to me to be illogical, because I feel that there is a great contribution to be made by the private broadcaster, with network privileges.

MR. deGRANDPRE : And also unduly costly to the operator, does that also make reference to this same regulation?

MR. COLLINS : Yes.

MR. deGRANDPRE : And that is the only regulation you had in mind?

MR. COLLINS : That one - yes.

MR. deGRANDPRE : And if that is so would it not have been clearer to say that the regulation dealing with networks appeared illogical than that the regulations at large were illogical?

MR. COLLINS : Well when I say regulations ---

MR. deGRANDPRE : You don't qualify the word regulations in that sense -- that is what I am driving at.

THE CHAIRMAN : It is 'some of the regulations' - is that right ?

MR. COLLINS : Some of them --

THE CHAIRMAN : I would have thought that







that would mean more than one.

Mr. deGRANDPRE: More than one.

THE CHAIRMAN : If you are telling us that you feel they are illogical and unduly costly to the operator, we would like to know what you have in mind. In the next sentence, while you are about it, you say other rules (plural) are sometimes discriminative and would you indicate to us some examples of discriminatory rules ?

MR. COLLINS : I would think that the discriminative rules or rule would indicate that the rule is there, though not exercised, - which affects the production of mechanical reproduction between 7.30 and 11 o'clock.

THE CHAIRMAN : Let us get the meaning of your words correctly -- I can understand that you may not like that ruling but discriminatory means that you are favouring one and going against another.

MR. COLLINS : That is true.

THE CHAIRMAN : How is that rule, applicable to all stations, a discriminatory rule?

MR. COLLINS: Well for this reason, that the stations as individuals, cannot afford to be putting on love programmes from 7.30 to 11 o'clock across the country. In the bigger centres perhaps they could, but in the smaller centres this cannot be done and the CBC with its funds, is allowed to do this and therefore we feel that the ruling tends to push the private broadcaster to a lower level



and discriminate against his operation.

THE CHAIRMAN : Well I can perfectly well see in the network ruling there is a difference, and in that sense it is discriminatory, in view of the fact that the CBC is allowed networks and the private stations are not.

I can understand that, but you are using plural tenses again and wide-open generalities, that other rules are sometimes discriminatory or appear to be dictatorial on occasions, and I say that a person who makes that kind of statement must have something else in mind, otherwise they would have simply said that the network rule was discriminatory and make the brief mean what it is intended to mean.



If there are other rules, for goodness sake give them to us.

MR. de GRANDPRE: Going down to the next paragraph on the same page you say:

"The CBC rules require a private station to reserve periods for the broadcast of programmes of the Corporation. The CBC dictates the dates and the hours."

I am putting this proposition to you: under the Act the Canadian Broadcasting Corporation is obliged to carry on a national broadcasting service within Canada, and for that purpose they do this and this and this. How can you expect the CBC to provide or carry on a national broadcasting service, admitting that it operates through its own stations in part and through private outlets in other sections of the country -- assuming these facts -- how can the CBC carry on a national broadcasting service without telling a station in Kirkland Lake or a station in New Westminster, "You have to serve this area and therefore you have to broadcast a programme on Monday at eight o'clock"?

MR. COLLINS: Well, I would point out here that it is up to one hundred per cent; in other words, they have the power -- it has never been exercised to my knowledge -- but they have the power to take up to one hundred per cent of the station's time.

COMMISSIONER TURCOTTE: This applies





only to their affiliates, doesn't it, and not to any private station?

MR. COLLINS: I think it includes all stations.

MR. de GRANDPRE: Do you have any instances where this power has been exercised to the point where the private stations were put out of business?

MR. COLLINS: No. It is a thing that is there; the privilege is there. It is a potential threat, but never has been exercised.

THE CHAIRMAN: Let us take your case; are you an affiliate of either network?

MR. COLLINS: No.

THE CHAIRMAN: What reserved time is there against you?

MR. COLLINS: To this point they have never sought any time with us other than for the Queen's address on Christmas, which we chose to take.

THE CHAIRMAN: In your own particular experience you have had no time taken away from your station?

MR. COLLINS: No, but ---

THE CHAIRMAN: And you have never had anything at all that interferes with your operation in that respect as far as taking time is concerned?

MR. COLLINS: No.

THE CHAIRMAN: Other than an offer on the Queen's broadcast, which you chose to take?



MR. COLLINS: Yes, but again that threat is there.

COMMISSIONER STEWART: As opposed to the threat, if that were not there, you would be faced with the threat of a CBC station operating against, probably not every part, but in most parts of the country, because they have a legal requirement placed on them to provide a national broadcasting service?

MR. COLLINS: To my knowledge, they have transmitters of their own, coast to coast.

THE CHAIRMAN: They have some across the country, but they haven't got completely into every community?

MR. COLLINS: You have got to take every station there is in the country to get into every nook and corner.

COMMISSIONER STEWART: That is the point, isn't it? They would have to set up stations in competition with you in every nook and cranny of the country; that is the alternative to the powers they have reserved for themselves.

MR. COLLINS: That is right.

COMMISSIONER TURCOTTE: Correct me if I am wrong, but I am under the impression that the CBC reserves time only on the stations who have agreed to become affiliates, and that is sort of give-and-take in exchange for the services received, that they agree to take these programmes, and it is also part of their licence when it is granted; but since the CBC



is charged with the responsibility of serving the whole country, either the CBC would have to put up its own station in a particular locality or use the facilities of a private station. It is a mutually acceptable agreement, and therefore they must reserve some time for programmes of a national character. Am I correct, or am I wrong?

MR. COLLINS: You are correct, because as I pointed out earlier that has not been pressed to the full.

THE CHAIRMAN: At any rate, Mr. Collins, you are not complaining about anything that happened to you?

MR. COLLINS: Not in that regard, because it has not happened directly, but the potential threat still exists.

THE CHAIRMAN: It has not happened at all -- directly or indirectly?

MR. COLLINS: It has not happened.

THE CHAIRMAN: No.

MR. de GRANDPRE: Can you tell us in what sense you feel the CBC would be a competitor? We have heard from other sources that, in fact, CBC was a competitor of private stations, but we have other representations made to us that CBC is not a competitor to the private stations, and that the private stations are complementary to the national system.

MR. COLLINS: Well, I have several items here. I should point out that lack of





network opportunities is a major means of competition. A national advertiser wishing to have advertising coast to coast has only one source from which that can be obtained.

THE CHAIRMAN: Let us take your station as an individual example; in what respect do you say the CBC is a competitor of yours?

MR. COLLINS: Well, I will reiterate the network. Take a specific programme -- Canada Packers: I don't get any business at all, not being a network station, and even if a private network were formed in Canada I may still be on the outside, but I would feel much better if there were competition for the Canada Packers' account on network. There is only one network that can be obtained for Canada Packers, or any other account in Canada that wishes to use network facilities.

THE CHAIRMAN: That is like saying you would like to go into the taxicab business but you can't get a taxicab licence; you would like to extend into another line, but I was asking as to where there is existing competition between you, as a radio station operator, and the CBC?

MR. COLLINS: In Toronto CJBC is competing against private stations in Toronto for local business -- not on a large scale, but they are competing.

MR. de GRANDPRE: That is only the Dominion Network station?

MR. COLLINS: That is right.



MR. de GRANDPRE: That is the exception that has been pointed out to us.

MR. COLLINS: And I believe Moncton is also another example.

THE CHAIRMAN: That was not my question. I asked you are CBC competing with you?

MR. COLLINS: That is a difficult question to answer for the simple reason that again there is no CBC station in our market, but it does compete for audience and personnel.

THE CHAIRMAN: If it is not in the market, how does it compete for audience?

MR. COLLINS: Because we are only thirty miles apart.

COMMISSIONER STEWART: Then the CBC station at some place or other can be heard in Oshawa?

MR. COLLINS: Oh, yes.

THE CHAIRMAN: And it is competing for audience if its signal is receivable in Oshawa.

MR. COLLINS: That is right, but it means I can't compete with them for network, nor can the Toronto stations compete with them for network.

MR. de GRANDPRE: So you are not in competition if you can't compete. Competition could only arise if you could compete with them?

MR. COLLINS: That is true. That is what I am seeking; we want an opportunity to be on an equal basis. If there is to be competition, then we would welcome it, but we would like to



welcome it on an equal basis.

COMMISSIONER TURCOTTE: Are networks really profitable except small regional networks where the cream of the business can be had? The networks that you have in mind would not cover the country. You would want to cover a thickly settled area in a well populated province where you could reach everyone on a three, four or five station network. You are not thinking of a network in national terms?

MR. COLLINS: Yes, I am thinking in national terms. Back in the days -- I don't like to refer to the United States too frequently, but it seems to me that the United States or Australia are perhaps the only references I can make. When radio first started in the free enterprise field in the United States they had to build a network and met their obligation there nicely. Again it stemmed from a more local popular organization, but it became a nationwide proposition. Let us assume that five per cent of the people in the United States are broadcasters, and five per cent of the people in Canada are broadcasters: we will not be able to do it on the same large scale, but we will grow with the country and develop it, and then the network does not stem from the larger centres ---

MR. de GRANDPRE: That was my next question. You want to enter into the field of networks; do you have in mind regional





networks or national networks?

MR. COLLINS: My major reasoning is national networks. I feel that, sponsored or not, we have a choir in Oshawa that we feel is certainly worth a regional network, if not national, and the songs we would sing in that choir in Oshawa would be just as important to the people in Vancouver as to the people in Oshawa, and likewise there could be programmes sent to us from Vancouver. We think that with interrelation we could shuttle it back and forth.. It means I have a better opportunity to build up better programmes. When I have to programme nineteen hours a day it means some of the effort put into it runs thin, of necessity.



MR. de GRANDPRE: Have you ever endeavoured to put on a broadcast which would be acceptable to the network, the national network?

MR. COLLINS: No, we have not, because I know it has to be a tremendous thing to be accepted for the network. However, we feel that our choir in Oshawa is of the same calibre as those in Winnipeg and other centres, but again, as an individual, if I did, being close to Toronto, my station would be automatically screened out; If I did initiate this choir going on Trans-Canada or any other network the same thing would happen, and this did happen on a political broadcast, the CBC will send a crew, they do not place confidence in us to be able to cover a network programme, they send a crew down and if we are on the network then it comes back to us.

COMMISSIONER STEWART: Before we leave that subject, I think we have heard in our travels across the country complaints that CBC will not sell time to a sponsor on the network unless that sponsor is prepared to take the whole of the network and as a result the CBC may have lost a certain amount of business. Now, if you had a private network do you think there would be a possibility that that private network would show selections in the manner in which the sponsors are asking the CBC to do it?

MR. COLLINS: When a network is



established, and I am prepared to go along with the CBC on this one, when a network is established it consists of an X number of stations, whether they be private or state. Certain stations can be delayed or extended according to the sponsor's requirement because you might not have distribution in Vancouver and Vancouver may be a very important link in that network. But I think in the States we have what is called the Blue and Red networks which are minor networks within a network.

COMMISSIONER STEWART: So that there would be the temptation, at least, towards selection in the event of another network being set up?

MR. COLLINS: I would think with any network set up as it should be there is a certain amount of flux, both increasing and decreasing.

COMMISSIONER STEWART: Of course, in this country we have quite a number of stations in very small places and if selection were permitted do you think some of these smaller stations would go out of being because they need a certain amount of sustaining programmes to carry them? I do not suppose being powered to the segment of the country that they reach would be sufficient in itself to induce advertisers to go there. I can visualize some of the smaller stations being dependent on networks, and if selection were





permitted I am just wondering if some of the smaller stations would go out of being?

MR. COLLINS: Perhaps I could ask a question: when you speak of network do you mean a network existing solely on sponsored programming or a network to have both sustaining and sponsored?

COMMISSIONER STEWART: I would think you would have to have a certain number of sustaining programmes in any network.

MR. COLLINS: I thought in the sense you meant the network it would be only a network that was sponsored.

COMMISSIONER STEWART: Oh, no.

MR. COLLINS: I see. Well, I maintain that a network would be an established organization; no network can be considered a network until it is established. CBC is established, CBS and NBC, they are established networks and operate both sustaining and sponsored programmes.

COMMISSIONER STEWART: So the probability -- I won't say the probability, but it might happen that any network set up by any other than the CBC might choose only those spots in which there is big buying power which would attract a sponsor.

MR. COLLINS: That might be; that is done in the States, but I believe that the networks by-pass certain areas, but in those areas they have smaller stations who carry on.

COMMISSIONER STEWART: We have a



different problem in this country because we have a huge country that is sparsely populated so the problem here, as I visualize it, is somewhat different to that existing in the United States of America.

MR. COLLINS: Well, it is not so difficult, if you have studied a map of North America which covers both Canada and the United States that has a population shading, in this map you will find that the bulk of population in the United States is up in the northeast corner; likewise Canada is in the south central area, so the bulk of the population on the continent is centred in that general area and all the rest of it is sparse.

THE CHAIRMAN: But the two bulks are very different in total buying power and economic wealth, and surely you are not suggesting that it is only the bulk which should get the service, are you?

MR. COLLINS: No.

THE CHAIRMAN: Well, the problem you are up against is how you are going to get service to the whole of Canada, notwithstanding our sparse population? Your suggestion of a network which is based on purely economic reasons would inescapably mean that at least for a long while to come only those very populous and, therefore, profitable areas would be given radio service?

MR. COLLINS: Perhaps I should point out at this time that we are not advocating the



abolition of the CBC network.

THE CHAIRMAN: You would just like them to take all the non-profitable business, is that not it?

MR. COLLINS: What is that again?

THE CHAIRMAN: I say you just want them to take all the non-profitable business?

MR. COLLINS: Oh, no.

MR. de GRANDPRE: Well, on the first page you say:

"Government broadcasting would no longer be in competition with non-government broadcasters, because only the latter would be in the commercial field."

MR. COLLINS: Well, that is in support of my brief, but further on in the preamble I read to you "it is suggested that in the interests of economy today this Commission must make reference in the interests of reducing costs, of the CBC becoming a production centre."

THE CHAIRMAN: If you are only interested in economy you would cut all the operation out entirely?

COMMISSIONER STEWART: You are going to turn the CBC into a production centre entirely, so how do you get that production to people then?

MR. COLLINS: Through the private delivery agency.

COMMISSIONER STEWART: Would the private stations then provide the time to CBC free?





MR. COLLINS: I would think so, yes.

COMMISSIONER STEWART: Free?

MR. COLLINS: In other words, CBC time free and the distribution free, that would be a condition of the licence; now as it is in television.

THE CHAIRMAN: Suppose you in Oshawa decided you did not want to take it, you did not like compulsion, you did not like people to have regulations to tell you to take it at a certain time, you just decide you do not want it; how does the CBC get its national service to the people of Canada in Oshawa?

MR. COLLINS: Well, that would be a complete rejection, and I think, as we point out, a separate telecommunication board would decide and the condition of the licence ---

COMMISSIONER STEWART: You get compulsion, as I see it, if the sentence is retained in the Act, that the CBC must provide a national broadcasting service. Then, if the CBC is to be reduced to the point where they become a production unit only, then they have to compel some of the stations at least?

MR. COLLINS: That is right, if that is not changed.

COMMISSIONER STEWART: Yes?

MR. COLLINS: I do not see any reason why they would refuse if the productions are of good standard, as they have been.

THE CHAIRMAN: Oh, come now, Mr. Collins,



you certainly see why they would refuse, they would certainly refuse to take something they made no money on because they would be able to sell a programme to somebody. That is a very good reason.

MR. COLLINS: True, but perhaps I omitted saying we should have the problem of obtaining a programme and carrying it free, or sponsored, as the case may be rather than the people of Canada, the taxpayers who are paying the money for this to be subsidized, which it is at the present time under the present system, then it could also be the other way.

MR. de GRANDPRE: Yes, but that is not what you say in the brief here. You put the alternative that there should be sustaining programmes or commercial programmes, and in the brief you say the CBC would not produce any commercial programmes?

MR. COLLINS: Well, perhaps I should clarify the brief. After it is printed you always find there are changes you would have liked to incorporate.

THE CHAIRMAN: Change anything you like; we are here for that purpose.

MR. COLLINS: We were merely anticipating the two types of production, and the two proposals were, one, the CBC becoming a production agency and the other item would be that CBC would be a non-commercial operation with its own stations only, which, of course,



was the prime purpose of this state ownership in the first place.

THE CHAIRMAN: Taking the first one, that they are to be a production agency only, Mr. Stewart's question is, there is no use expending public money to produce programmes, assuming they are of the kind the people of Canada would like to see, unless you get them out. The question is as to how you get them out.

MR. COLLINS: Well, personally I do not see any objection to carrying good programmes, programmes that are already prepared for you. I do not see any objection that any broadcaster would have. I do not think that broadcasting in our time, for the main part, will become so saturated commercially that every programme from the time it goes on to the signing off will be sponsored.

THE CHAIRMAN: And it would be very handy to have a public agency fill the bad periods?

MR. COLLINS: Yes, but it is not essential to their existence.

THE CHAIRMAN: This could well be, but what I am thinking of is a public agency, and your proposal carrying a national programme which presumably is prepared and justified only on the idea that it is a desirable thing for the country to have it, and there it sits and how do you get it out? Is your proposal that







there should be compulsion to get it out by reserve time devices or others, or does it depend entirely on the whim of the private broadcaster?

MR. de GRANDPRE: May I add this, Mr. Collins, that if you only rely on the unsponsored time on private stations then you will only have spotted coverage, because what could be available time in any given area would be taken time by sponsors in another area, and so you will have spots of coverage all over the place.

MR. COLLINS: Well, you would not have simultaneous network as you have now. But, again, I would feel that the Board would be then charged with the role of supplying or maintaining the distribution of these programmes.

THE CHAIRMAN: You would be right back, because you are not objecting to the CBC being a competitor; you say you do not like this notion of being compelled?

MR. COLLINS: That is true, I do not like being compelled. The situation exists in television today, to my knowledge, the condition of the licence being granted is that you carry at least ten and a half hours of CBC programmes, in which case it is most welcome by television operators.

THE CHAIRMAN: Just one other question: on the first point we are dealing with you have at the top of the first page, "Independent Board is the Key Move", and you say:

"The proposed independent



regulatory board is the key to the whole improved regime. Under the same jurisdiction it would supervise privately owned networks. It would supervise the CBC non-commercial network."

You have made it clear up to this point that the CBC would not be in the commercial business. Well, now, if the reason for having an independent body is the fact that you are dealing with a competitor who is also regulating, you take away his commercial business, so he ceases to be a competitor, then why do you need the independent regulatory board?

MR. COLLINS: As I pointed out before, when we use the word "non-commercial" here, it is in view of one of our recommendations being accepted and that is the CBC would be restricted to the state distribution and would not necessarily be commercial. The word "non-commercial" in this case states that the separate regulatory body would administer the requirements of the privately owned networks of the CBC.

THE CHAIRMAN: The reason you say it is needed as an independent force is that there is competition between the CBC and the private stations, and that is your reason for claiming an independent regulatory board?

MR. COLLINS: That is one, a minor one.

THE CHAIRMAN: What else is there?

MR. COLLINS: A separate regulatory body, we would definitely want that board set up



in the public interest.

THE CHAIRMAN: Do you suggest the CBC board is not set up in the public interest?

MR. COLLINS: It is supposed to be, and we have not any reason to say that it is not.

THE CHAIRMAN: You have no reason to say that it is not?

MR. COLLINS: The point I would like to make clear is that the CBC has an operating interest of its own, and its recommendations to the Minister with regard to its own facilities are never made public. In other words, if the CBC wants to put a new transmitter in Montreal nobody knows about it until it is operating.

THE CHAIRMAN: But if it ceases to be commercial, as you suggest, the competition disappears?

MR. COLLINS: That is right.

THE CHAIRMAN: Well, if there is no competition left, then what is the claim for the regulatory board?

MR. COLLINS: They are still competing against the private stations for personnel and audience. Now, again, if we have the equal privilege of networks and so on, then we don't object to the competition.

MR. de GRANDPRE: So that there is another change in your brief when you state that there would no longer be any competition, and now you say that there will be?

MR. COLLINS: That is, if we eliminate --







there would not be competition on a non-commercial network, but we are dealing with competition in many phases and competition on a commercial or non-commercial basis; if it is non-commercial then it is not competition in the field, but it is competition for personnel or audience.

THE CHAIRMAN: But you say in the simplest words you can possibly use:

"Government broadcasting would no longer be in competition with non-government broadcasters, because only the latter would be in the commercial field."

Now I take it you are saying they would be in competition.

MR. COLLINS: This is again getting back to this non-commercial which we had a summary of in the brief -- two suggestions, you perhaps would like me to pinpoint it down to one suggestion as to how CBC financing may be done.

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THE CHAIRMAN : I don't want to change your suggestion; I merely want to know what you are saying.

MR. COLLINS : Well there are two suggestions, and if you prefer one I will deal with that one.

THE CHAIRMAN : I don't prefer anything about it. I am simply wanting to find out what it is you are saying and what you mean, and it seems to me that you are saying that government broadcasting will no longer be in competition and then, in the next breath, you are saying that it will be in competition. I am trying to figure out which it is.

MR. COLLINS : I think it is rather involved, there are two things I had in mind and they are included in the brief - both being suggestions in the interest of financing.

MR. deGRANDPRE: Referring to subparagraph 3 of the summary of suggestions -- you say this "private broadcasting networks should be authorized in the public interest." Can you explain to us how this would be in the public interest?

MR. COLLINS : Yes -- two networks in Canada would give a choice - a much better choice - and would be twice the quantity to choose from.

MR. deGRANDPRE : Did you say quantity?

MR. COLLINS : Quantity.

MR. deGRANDPRE : But what about quality?



MR. COLLINS : Well now that again would be up to our code of ethics to produce quality and it would be up to the public and whatever they considered the better of the two would automatically get the choice.

MR. deGRANDPRE : I am putting this question to you -- the economics of broadcasting - commercial broadcasting - are such that it is cheaper to import an American programme than it is to produce a Canadian programme and your networks - being commercial networks - and it being an expensive proposition, you would like to get as much profit as possible out of the operation - therefore would you not be forced by the forces of economics to broadcast the American importations; -- I am putting this question to you, how would that be in the public interest?

MR. COLLINS : Well I think I should point out that the separate tele-communications board would again set up a rule - defining or attempting to define a given quantity of Canadian talent. I am a broadcaster but unfortunately I can only do so much, but let us take this example of the choir that I spoke about - this choir consisted of 20 to 30 persons and it would not have been possible to ask them to come down and assemble for two dollars each, which, at the minimum would cost \$150 on a half hour programme period. However, if you take that same programme and





distribute it across 70 stations in Canada the cost per station is not a great deal. In turn I can get programmes back from these other stations, the Vancouver Symphony perhaps, or the Vancouver String Quartet - or they may have a super dance orchestra out there. I am getting programmes in exchange and there is an exchange on the network - these networks exchange their programmes.

To give you an example of the only private station network that was permitted in Canada since the Radio Act in 1935 or 1936, some years ago when Queen Elizabeth succeeded to the throne - we as private broadcasters, thought it might be a fine gesture to her to give her a salute and a programme was created for that network. That network emanated from Montreal and it had a orchestra and a choir and a chorus and it was an hour show, which I thought was a excellent production.

Now the cost to us of that programme - which was only a 250 watt station and this may have had some bearing on the matter - was \$15.00 to my one station, the cost of that programme having been distributed from coast to coast.

MR. deGRANDPRE : But referring to the choir again, wouldn't you have done exactly the same thing by taking the programme and obtaining permission to distribute that programme to other



affiliated or unaffiliated stations throughout the country and thereby spreading the cost?

MR. COLLINS : Yes you can - but then again it is a tape network and is not as effective as a live network show.

MR. deGRANDPRE : Well we did hear when we were in Vancouver, that except for special types of broadcasts, it was easier to put on a tape network because you could allow for the time zones and better hours of the day in any given area?

MR. COLLINS : Your time zones do present a problem but again, taping or discing is a costly process, where you have to distribute it - bringing in a number of stations - to get the live programmes, at the end of the programme and the beginning of it and you have to see it is transcribed and it automatically dissolves the illusion that the listener had of it being a live programme.

MR. deGRANDPRE: But you do that for American importations - why is it worse if you are dealing with Canadian productions?

MR. COLLINS : Well I would think that the average listener would assume that it is not live if it comes in over the American network because they are accustomed to it, but if it comes in from our own country, or perhaps even our own province, then they anticipate it is live and when they are told



it is not it is a surprise to them.

THE CHAIRMAN: Well surely they would get accustomed to that, wouldn't they.

I am thinking of this - if they are so accustomed to expecting American taped programmes, why would they not expect Canadian taped programmes?

MR. COLLINS : That is one way of doing it.

THE CHAIRMAN : Well is there anything today - and I am speaking to you now in my ignorance - to prevent you from taking this choir which you spoke about as being such an excellent one, and no doubt it is, and having them down at your station and having a tape recording made of their performance and selling that tape - or the rights to it - to any number of stations in Canada, if it is good and they win their mark?

MR. COLLINS : There is nothing to stop it, no.

THE CHAIRMAN : Nothing at all to stop it but have you ever tried it?

MR. COLLINS : It is a costly proposition.

THE CHAIRMAN : It certainly wouldn't be any more costly than an open wire from here to Vancouver.

MR. COLLINS : Well you can buy it on stations from here to Vancouver.

THE CHAIRMAN : But there is nothing to prevent you from writing to all the stations between here and Vancouver and interesting them - if







you can.

MR. COLLINS : It is a much more cumbersome way of doing it than if you have an established network.

MR. COMMISSIONER TURCOTTE : Not more expensive.

THE CHAIRMAN : It might or might not be more cumbersome, because the operation of a network is a fairly cumbersome thing too, but here you say you have a situation, and the example is one that doesn't have to go out live which would have certain advantages in accomodating itself to the time zone, and you have apparently not even tried to get it out in the perfectly legitimate and economical way that you could have done?

MR. COLLINS : Those things have been open to private broadcasters along the way and they have been established, but, somehow they have fallen by the wayside.

THE CHAIRMAN : Well this may be the fact, but with the greatest possible belief in the freedom of enterprise - it may be that there is enough freedom but that there is not enough enterprise.

MR. COLLINS : Well we still maintain that the network is the better way of doing it. It is the same thing as I could drive down the street in an old Ford or could drive down the street in a new Ford. I prefer to drive down in a new Ford - and, coming from Oshawa, that is probably a



mis-statement.

THE CHAIRMAN : Yes - that would  
a mis-statement.

MR. COLLINS : There are two ways of  
doing it and we believe that the proper way is  
the network.

THE CHAIRMAN : But if someone comes in  
and screams about somebody being lacking in ability  
to be free, I would like to see them try to do  
the things that they are free to do and then, from  
that position of greater strength, argue for  
something different, but you just sit back and  
complain.

MR. COLLINS: Oh I wouldn't say that  
we just sit back and complain. We know of  
another station established in western Ontario  
- dealing with networks again - because it seems  
that networks in particular have less complexity  
than other things, such as the Musicians' Union,  
and this station petered out because of lack of  
interest.

THE CHAIRMAN: Lack of interest by whom?

MR. COLLINS : It didn't survive.

THE CHAIRMAN : No -- whose lack of  
interest?

MR. COLLINS : The public's.

THE CHAIRMAN : Well maybe the programming  
wasn't any good.

MR. COLLINS: It is a cumbersome method --



there may have been tapes, and the tapes didn't come in on time -- all those problems.

THE CHAIRMAN: But in other words you didn't do the job properly. If the programme was a good one you can't tell me that you couldn't get tapes out on time?

MR. COLLINS : True but there are other facts as well-- the tapes may not be there on time or there may be other factors over which we have no control. They may be held up at the post office, and this has actually happened, and it is all a waste of time.

MR. deGRANDPRE: But how is it that you receive the tapes on time for American importations but yet they get lost when a Canadian production is involved?

MR. COLLINS : We don't always receive them in time.

MR. deGRANDPRE: You don't. Well what do you do then - do you put on an alternative programme?

MR. COLLINS : The programme is put on --

MR. deGRANDPRE : This is what I can't understand Mr. Collins, whatever you can do for American importations you can do for Canadian productions, or so I would have thought. I may be wrong, but I would assume that the real reason is the economic factor - that has a lot to do with it.





MR. COLLINS : We are trying to solve that economic factor by being able to produce a programme on network in which the cost can be brought down within a reasonable limit.

THE CHAIRMAN : But, using your own example, you have this other method by means of tape which you haven't even bothered to try.

MR. COLLINS : Oh I wouldn't say I hadn't tried, we don't say that at all -- because actually I have tried, tried to interest London in the same thing. I tried to join the circuit that was working in Western Ontario but I couldn't - it just was dying on its feet, despite the effort that was put behind it. I feel that an honest effort was put behind it and I also am convinced that my own effort was honest.

THE CHAIRMAN : In other words, you are saying that networks or the co-operative arrangements between broadcasting stations - the private stations --- in this very modified and regional way, a group of private stations tried to do something equivalent to the network arrangement and they failed. Well then what is your idea that they would do any better on a national network?

MR. COLLINS : Again I must make reference to the United States. In other words I don't feel that Canadian broadcasters are more stupid or are less capable or of less calibre than the American broadcasters, but they do have



these problems there as well. They do have these problems of networks - however, I am firmly convinced in my own mind that we could estimate it, and do the same thing.



THE CHAIRMAN: You have just told us they had tried to work out something on a very limited, minor scale in Western Ontario in that field.

MR. COLLINS: That is no indication they would fail on a network, though.

THE CHAIRMAN: It would seem to me it would be a lot easier to do that than to run a whole network across Canada.

MR. COLLINS: If that should be the case, maybe I should suggest that the CBC expenses could be cut by doing the same thing.

THE CHAIRMAN: Maybe it could, and to a certain extent they are doing it now, but that still does not prove the ability of the private stations to put on an effective network. The very case you quoted suggests, to me at least, that the operation of the network in private hands would not have any more success than this very junior scale operation.

MR. COLLINS: We also have a rule which tells us we must not simulate a network.

THE CHAIRMAN: That would not stop an interchange of tape programmes.

MR. COLLINS: It is a simulated network -- not all broadcast at the same hour -- but it is a simulated network on tape.

THE CHAIRMAN: But at least this was not prohibited by the CBC when it was tried in Western Ontario. It didn't fail because of the CBC.

MR. COLLINS: No, but there is the attempt ...





MR. deGRANDPRE: How would it be in the public interest from another angle -- from the point of view of the taxpayer's money? You say that if you want your private network this necessarily implies that the CBC will abandon the commercial field, and if it abandons the commercial field, I take it there will be less revenues to the CBC and that, therefore, the production of networks on the CBC will be more costly and, therefore, more money will come out of the public pocket, and I can't see how this is in the public interest.

MR. COLLINS: As I said, this brief was written with two alternative suggestions in the interests of financing. Let us eliminate the one and project, then, with the commercial network of the CBC. We will eliminate that -- that will eliminate one of the confusions because this brief was written with two suggestions in mind, and either or both could be accepted at the end of the brief. It has tended, I gather to cause a certain amount of confusion in the brief.

THE CHAIRMAN: I don't know whether it is confusion in our minds or confusion in the brief -- one or the other.

MR. COLLINS: It certainly has caused confusion in its interpretation.

MR. deGRANDPRE: Referring to the last page of your brief, the second column, the middle paragraph, you say that CBC is able to sell time at reduced rates to national advertisers because it facilities are subsidized with public tax money.



I want to know if that is the real reason why the CBC sells time at reduced rates, or isn't it due to the fact that it is selling time on a national basis, and that for network operations you have to give discounts in the same manner that American networks give discounts without being subsidized by public tax money?

MR. COLLINS: I speak from experience inasmuch as I am fairly close to General Motors, and their TV production comes to them less than the actual cost -- something that private broadcasters cannot do. That is why we feel that automatically an advertiser, whether it be General Motors or some shoe company, is automatically going to go to an organization that can give it reduced rates and therefore it is not an economic rate charged by the CBC.

MR. deGRANDPRE: Do you therefore imply that CBC does not get out of these sponsors all the money that it could, or should get, or is it due to the fact that the sponsors will not pay the full costs and would not even pay it to a private network, and if I may follow this thought, that if a private network is authorized, then the necessary result will be a reduction in the quality of the programmes in order to meet the price that the sponsor will be prepared to pay?

MR. COLLINS: Perhaps I can best answer that by an example: in speaking to an agency man, who is very well recognized -- and I don't wish to use names unless you insist -- he stated that he





had a client -- and this is generally felt in the agency -- that this client refused to pay; in other words, he allocated X number of dollars for a CBC production, and he would have allocated Y number of dollars if it were anything but that; in other words, another production in which he would have a choice of programme. In other words, as long as it is CBC dictated, or whatever you call it, he was only going to spend so much. If he had more control of the programme then he was prepared to spend more.

MR. deGRANDPRE: Would he still pay for the programme in full?

MR. COLLINS: If it were to his liking, yes. In other words, he had an appropriation, but he wasn't spending it all on CBC. Those are practically the words they quoted.

COMMISSIONER STEWART: You are saying the CBC, if they were a little more aggressive, could get more for the productions that are sponsored?

MR. COLLINS: Well, they would have to do some job -- on this particular account. Whether they were more aggressive or not, they would have to perhaps make some changes in the programme. That again would be his decision.

MR. deGRANDPRE: You have indicated earlier in your evidence that the sponsors were paying something like 40 or 50 per cent of the total cost: do I understand from your last answer that the sponsor would be prepared to pay





twice the amount they are now paying?

MR. COLLINS: They are prepared -- I could not say in percentages, because it would be governed by their budget, but as I pointed out, they will not spend the full budget on television under the conditions -- whether it be 40 per cent or 10 per cent.

THE CHAIRMAN: You said a moment ago, Mr. Collins, that they might have to change the programme to suit the sponsor. Did I catch you rightly?

MR. COLLINS: As I gathered, there is a certain programme and it is available at a certain price, and the sponsor does not seem to have much say in whether or not that programme is to his liking -- he can't implement any changes in it.

THE CHAIRMAN: Do you think he should have a say?

MR. COLLINS: To a point. Again, I am going to defend both the CBC and the private broadcaster. We are in the broadcasting business, and we feel we know the appeal of a programme and we can compromise with the sponsor, but we can't if --

THE CHAIRMAN: Do you want to have your programmes determined by the wishes of the sponsor?

MR. COLLINS: Not fully -- I don't do it, at least. We do to a point: if a man wishes to have ballet music, and the time he would like it is appropriate, than we have no objection, but if he wants to put ballet on in the morning, we



would not change it.

COMMISSIONER STEWART: That is more a choice of programme than influencing the content of a programme, is it?

MR. COLLINS: The type of programme, yes.

THE CHAIRMAN: But supposing no sponsor wanted to have any forum discussions. In your system how would you ever get any forum discussions?

MR. COLLINS: There are no sponsors who would like to have, nor do we permit any sponsors to have, our Town Hall before a civic election; we have two of them and we devote two full evenings at no cost to anyone other than ourselves. We don't sell it, and certainly I would feel that a balanced broadcasting programme, whether it be private or otherwise, can be established. It is done in the United States. However, I would like to make clear that a great many people seem to think that because a programme comes from the United States it is automatically no good.

THE CHAIRMAN: I don't think anyone suggested such a thing to us.

MR. COLLINS: Well, it seems to me the moment you mention an American programme it is somewhat of a degrading thing.

THE CHAIRMAN: No, the only way it has been put to us is that we don't want all our programmes from the United States.

MR. COLLINS: Nor do we, and that is why we are doing our best to establish that, but, again,



our efforts are confined because of our immediate proximity.

THE CHAIRMAN: Have you any more questions?

MR. deGRANDPRE: No, that is all, Mr. Chairman.

THE CHAIRMAN: Well, thank you, Mr. Collins very much for coming down from Oshawa to present this brief.





NATIONAL WELFARE COUNCIL

Appearances:

E. G. Davis	Executive Director
Miss Patricia Godfrey	
Mr. John Farina	
Mr. Albrant	

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THE CHAIRMAN: We will begin by marking the brief as Exhibit No. 227.

---EXHIBIT NO. 227: Brief submitted by the National Welfare Council.

THE CHAIRMAN: Would you care to read your brief or present it or summarize it. You may do as you see fit. We have already read it.

MR. DAVIS: I think it might save time if I made one or two brief introductory comments and then leave it to you to direct such questions as you may desire. I would like to introduce my colleagues if I may take a minute. Miss Godfrey is on my left and she is our information officer and, naturally, interested in this field. Beyond her is Mr. Albrant, who is the National secretary of Community Chests and Councils of Canada and on my right is a man who is a national secretary of what we call our recreation division, Mr. Farina. I think it might be proper to say a word about the Council, the Canadian Welfare Council of Canada. It was founded in 1920. It is located here in Ottawa and it is



the national centre for organizations and groups that are concerned with the provision of adequate welfare services for the Canadian people. It has some 420 organizations affiliated with it right across the country. National organizations, provincial organizations, local organizations, French and English speaking organizations, business, labour, Catholic and Protestant, and many other organizations that have an interest in this field. It has three main functions. One is to provide technical help and assistance to its member agencies and organizations and another, to conduct research into the field of social welfare and social security, and a third to interpret the social needs and social services to the Canadian people. Of course, in the pursuance of this third function mainly, that we venture to submit this brief to your Commission today. Now, about the brief, I think I ought to say a word as much by way of apology as explanation. In frankness I would say first, that there was considerable hesitation on our part about preparing the brief at all. Had you been a Commission on unemployment or old age security or health insurance I think no such hesitation would have manifested itself. We would have recognized that this concern was square in the middle of our business and that we had to appear. But you are concerned with broadcasting. While we have, as I have said, an information department that carries on a limited function, a limited operation, in the minds of at



least some members of our Board of Governors there was a feeling that this was a matter of marginal concern to the Canadian Welfare Council. Besides, rightly or wrongly, in reading your terms of reference we had, -- a great number of, certainly some of our directors had the impression that you were preoccupied and would be preoccupied mainly with questions of finance and with the relations between public and private stations and I guess we were not mistaken altogether in this and therefore the question was raised whether it was in our competence at all to say anything about the matters that are most important to us. I could say one other thing in this connection also that the procedures of the Council are fairly well established. When we prepare a brief for a Commission or a parliamentary committee or a cabinet we go about it rather carefully. We usually appoint a committee which studies the matter but beyond that we send the submission, before it goes to the Commission or the committee, we send it out across the country to our members and it is studied and later revised so that it represents to a certain extent, to such an extent as is possible, the viewpoint of our organization. In this instance, I must say quite frankly there wasn't time, we didn't have the time to go through this procedure before it was submitted to you. Now, having said all that against the restraining considerations there is the fact while the debate was still going on in our Board of Governors







perhaps something like a rank and file movement began to develop in certain parts of our constituency and a rather strange representation was made from those parts that the Council ought to appear -- well not appear -- but present something to you in writing. The first of these two elements in our constituency was the Community Chests and Council in Canada of which, I said, the Council serves as a national headquarters and of which Mr. Albrant, who is here today, is national secretary. Members of this group from a number of places read in their newspapers of the great benefit the health and welfare movements in Canada derive from the interpretation of social needs and services from both public and private broadcasting in Canada and they were disturbed for fear the financial exigencies of the CBC, perhaps that is not the best way to describe it, might lead to some curtailing of sustaining programmes and they, therefore, urged the Council to appear -- to accept the Commission's invitation to plead for the maintenance and strengthening of controls both in the CBC and privately-owned stations and we have, therefore, set out our concern of this point in point one of our brief.

The other group which called for vigorous action on the part of the Council board was that section of the Welfare Council that is concerned, primarily, with recreation and constructive use of leisure time which includes in its membership youth organizations -- religious, educational,



community settlements, all those that are concerned with athletic social character-building trends. This group, for which I speak, again the National Council serves as a clearing house has always resisted rather sharply any definition that the Welfare Council shall restrict its concern to, well, the maladjusted members of the population. They have always insisted on a positive approach to welfare services emphasizing prevention rather than amelioration or cure of social ills.

Now this group, the sort of left-wing group, feels the effect on family and community life of the total programme of radio and television is of direct interest. It has endeavoured, this section of our constituency, to state some of its concerns in section 3 of the memorandum. What the recreation people argue for, essentially, is a high quality of entertainment and education right across the board. It also urges the strengthening of the Canadian component in programmes to the fullest extent practicable and to deprecate any move likely to bring about a policy of programme advertising by commercial interests.

In frankness, I have to add while the Council Board of Governors, while it approves of section 3, as it appears in our brief was not prepared to go all the way with the recreation group. However it says something for the fair-mindedness of the Council's board as well as the flexibility of the Council structure that the recreation division is represented here today by Mr. Farina at the board's expressed desire. They said they were willing to accept him to interpret them,





not to interpret them, but the view of the recreation division and they were to be invited by me, if invited at all, to come and expound their views to the fullest extent you desire or permit. I felt it necessary to offer this explanation of the Council's position but I would be sorry to leave the impression there was great tension in our organization or that we had differences of opinion in the Council's ranks. This is not true. Actually I think it is only fair to state that the Council's constituency, as a whole, is strongly convinced of the great social value of the present system of broadcasting in Canada and the essential soundness of the principles on which it operates. May I just say another word in conclusion that those of us endeavouring to develop a national system of welfare in this country are, I think, familiar in some small degree with some of the problems that arise in national broadcasting as a result of the limited resources, the great extent of the country, the scattered population; these factors with which you have to deal. There are simpler ways of organizing social welfare purposes than those we have had to follow which have involved broadcasting, the cooperation of public and private enterprise, the use of public and private funds, and some dependence on American experience and know-how.





As a result of our struggles and improvisations it seems perfectly clear to us that some combination of these various elements is necessary to meet the realities of the Canadian situation. I do not think the Board would say I have gone too far, perhaps they would if I said we have nothing but admiration for the results which have been achieved so rapidly in this country in the field of broadcasting through the imagination and ingenuity of those who have carried the responsibility for the planning and integration of the national system. I do not know if those are simple endorsements, but there may be some questions or comments by my colleagues.

THE CHAIRMAN: Do any of your colleagues wish to add anything at this stage?

MR. DAVIS: I think not now.

THE CHAIRMAN: There is one particular point I wanted to ask you about; on page 4, halfway down, you are talking about -- this arises in section 3, and you say:

"But there is as yet little factual material available on which to base appraisal of programmes.

The Council would urge, as a first step, the need for research in this field, by CBC and other bodies."

What is running through my mind is, we have noticed a sort of tendency to argue in many places throughout Canada that whatever good and desirable thing there is to be done in the country



ought to be taken up by the CBC, that they ought to promote ballet dancers and study the availabilities of writers and dramatists, and they ought to do something about music, and frequently we have had the fact that they ought to do something about research. Now, I know, Mr. Davis, your organization has had some contact with research of this kind; I am not talking about the technical matters, but this notion of the impact of programmes and so on; is that something that ought to be a function of CBC? To put it another way, would it not be better done for the benefit of the overall system if there was some means for this kind of research to be done on some sort of independent basis or cooperative basis outside the strict organization of the CBC?

MR. DAVIS: Well, you see, people are asking, as the French group did this morning -- they are concerned about the effect of programmes on children. Now, I do not think that anybody -- and I am sure the French group itself does not maintain, nor would the welfare people maintain that TV and radio, important and powerful as they are, that these influences lie at the root of juvenile delinquency. We know that essentially it is in the home, it is stability, it is security, the attitudes and what not that these things get fundamentally determined. At the same time, here is a medium, a powerful mass medium, that is going into your home, and it is a fact that it must have an effect on the attitude





of children, the ideas of children, and so on. I would not be surprised if in some cases it actually does contribute to certain emotional disturbances in particular cases, but we really do not know enough about it. I have read, as I am sure you and others have who study this question, the questions and answers in the United States Senate on the effect of TV on juvenile delinquency. Dr. Lassenfeldt, a man of considerable learning in this direction, has said, "We do not know; there are no such studies". I do not know who should make the studies, but I have a feeling, and I have mentioned this before, that I think the National Research Council should begin to take some interest in social problems as well as other types of problem in this country. I would be very happy if you could persuade, in your inimitable way, the Government and the National Research Council to take this thing up. I say this is a new thing in our life, in our health and welfare.

I heard the other day that there is a difference of opinion on atomic radiation and what not on the health of the Canadian people. I do not know too much about this and perhaps I should not mention it, but I am told a study to last for one hundred years is to be set up in this area. I do not say that television is in the same class as radiation, but it may be we will be surprised as to what radiation does to our bodies and perhaps somebody should be looking





at this. I do not think the universities can do it where a professor takes on a project and works on it for a short time and then drops it. I think in some way that research should go on, and I would say that among other things the CBC has some responsibility. It now has a research department that is doing excellent work, and perhaps that department, if funds were available, might do the work.

COMMISSIONER STEWART: Have you any idea whether or not such an examination is going on now in the U.S.A.?

MR. DAVIS: I think they are in about the same position that we are in.

THE CHAIRMAN: I think this is true, Mr. Davis, that there are more established university departments and so on?

MR. DAVIS: And foundations.

THE CHAIRMAN: Yes, and some foundations where there is a continuous study going on of the phenomena of radio and television in the social sphere.

MR. DAVIS: I am not suggesting you could not use their findings.

THE CHAIRMAN: Not at all, but the thought behind my question was as to whether the suggestion from other people that the CBC should do this research cannot, in the interests of the research itself, be better done by some -- at least, outside participation could be brought into play? Well, then, I think you have



answered any questions I had, and that was as to the general discussion as to your family division, or whatever it is now called -- your views on the impact of television on children. You have answered my question by saying you just do not know.

MR. DAVIS: I do not think we do, really.

MR. FARINA: Our concern is not specifically limited to children; I might just say that our group recreation is a voluntary activity which leads to personal growth, and it leads to personal growth as a Canadian citizen. Therefore, our interest in this business of the Canadian content of programmes is much along the lines that Professor Lower was presenting to you the other day. We have frequently noted arguments presented to you that people should have a choice of programme on television, to which we agree, except that one of those choices should always be Canadian in so far as programme content is concerned. In terms of influence on children we are not too sure we would agree with the idea that there are educational programmes and non-educational programmes, rather there is an educational content in all programmes, and in some cases it is positive. I think of the situation of my six-year old boy, through watching Wild Bill Hickok he knows a United States marshal is a very fine man, and he also knows that the Texas Rangers are fine people; he knows the United States cavalry cleared out



the west. However, he is not as familiar with the R.C.M.P., although I am very pleased to note in a CBC announcement that he is going to become familiar with a Canadian hero, Raddison, in the very near future. Those are the sort of things that concern our people. As Mr. Davis pointed out, we are most fearful of the possible influence of advertisers in programmes. As was said by one of our people, we do not turn our educational system over to public relations people or commercial firms, and certainly informal education such as TV and radio should be controlled by people who are concerned with the development of Canadian citizens and not with people who are concerned with the dollar.





We are concerned with the development of Canadian citizens and not with people who are concerned with the pursuit of the dollar.

THE CHAIRMAN : Maybe this group of yours can give me some help on a matter that has been bothering me. We have to take some kind of look at the matter we were discussing a moment ago - the extent, nature, standard and distribution of programmes. While I certainly do not think that we are going to be able to write any kind of charter on programming, there are certain broad issues and we have had various kinds of evidence along the line, that we should give the public what it wants - that is one kind of approach - and there is the other kind that there is some sort of necessity to give leadership and put new ideas before the people, so that they will perhaps want something tomorrow when they know about it, which they wouldn't want today because they don't know about it. Now how do you resolve the difference between the notion of freedom of choice in this recreational field, and the notion that you are going to be an everlasting schoolmaster?

MR. FARINA : We are faced with the same problem in the whole general field of recreation. For instance if I went down to darkest Africa and I asked a Ubangi if he wants to play football and he wanted to beat a drum, well, he would beat a drum, because he knows nothing about Canadian



football. There must be some group of permanent people so that they can make an intelligent selection in the field of recreation.

Most of our agencies are now attempting to pursue a programme which runs on social activities as well as physical activities, with which they have so long been justly identified. It is our opinion that, as we get the thing started with youngsters, and as they get introduced to a variety of types of programming, that they are going to be able to accept some forms of programming which only perhaps a selected few - or a small minority or maybe a large minority - will accept today.

THE CHAIRMAN : Have you found in your actual experience in the recreation field, that you can broaden the scope of people's recreation by careful exposure to new things?

MR. FARINA : I would have a tough time documenting that but I think that any given agency in the recreation field who has had a group of youngsters over a period of years could document that.

MR. COMMISSIONER STEWART: In the course of your remarks Mr. Farina you have said that there is an element of education in almost any programme. At the same time I think you said you wouldn't turn over the educational administration of this country to any foreign country. That may



not have been your exact remark, but I think that is what you intended to say; - do you feel that we are using an excessive amount of American programming, in the sense that there is an element of education in every programme?

MR. FARINA : Yes, I think the group for which I speak feels that as well.

MR. COMMISSIONER STEWART : That there is an excess?

MR. FARINA : Yes.

MR. COMMISSIONER STEWART : Even at the moment?

MR. FARINA : Yes.

MR. COMMISSIONER STEWART : An excess of American programming. You mentioned the fact that your child knew all about Texas rangers and the work of the U. S. marshall - and one thing an other --

MR. FARINA : Quite so.

MISS GODFREY : Might I speak to one point Mr. Chairman -- I have listened to a number of submissions during the week and there was a point which came up and also has come up several times, which is the question of the relationship and the work with the CBC - and how it can be improved.

This is a thing we have in the course of our work and I am now speaking personally - this is not part of our brief of course -- but in my







position I have had a great deal to do with the contacts which we have with the CBC and , of course, with private stations.

Naturally, as a national organization; the CBC - and we want national programmes - is the place where we go. Locally our agencies when we have to go to private stations for help, have found them very co-operative, but then the CBC has been magnificent in the help given. Definitely we do run and they run into real problems about organization and mechanics.

When I first took on this job I went to meet a lot of people and one of them said to me "You really need at least one full-time person on your staff just to make the contacts with all the different departments and so on in the CBC that you would like to make". You see, we are not even as limited as the children's field which you were talking about this morning. We could go all over the place - there could be a welfare content in almost any type of programme - popular programmes, too.

We have discussion programmes on all these things almost in any area - so that we could and may have to, get in touch with half a dozen or a dozen different people. I have a file that big in my office which is the result of six months' attempt to get a certain film put on the national network on TV. It was not because the CBC



didn't want to do it, but there was a third corner in this case, involving another agency. I dealt with six different people at the CBC and there was correspondence with six different people and ultimately the whole thing collapsed and had to be dealt with in a different manner, whereas, obviously it would have been cheaper and better if it could have been done through one source.

There has been a lot of discussion about the advisory committees and so forth, and a very interesting suggestion was made or reference rather, to the possibility of a planning body. We had discussed, prior to coming here, the suggestion that there might be one staff member on the CBC whose concern would be say, in our field - or add to it if you like, not only welfare including recreation, but some of the social things and interests that we have, to whom the national bodies and so on, could go, and who could co-ordinate things, not only by being there, but, because of their interests - and every one is interested in his job - also initiate. You see, the CBC also recognizes that it needs to keep in touch and to out and be informed, and needs to initiate.

It does in fact initiate, but this is nothing - there are many interests, through the interest of a particular producer of a series of programmes, or somewhere else. You have to go to





institutional programmes, you have to go to public affairs and so on - and there you have to go to different departments for different things, whereas a person on the staff, or a kind of planning department that was referred to this morning, would be excellent for a two-way street.

You even get this in your news.

A very good example of the newscast, is where you had, on TV last spring, a programme about a foster home, when reference was made to a foster home near Toronto where there were 25 children and they were very happy and they hoped to have 70 more.

Well this happened to be somewhat against the standards of what foster home care is considered to be. It may not have been a news item that would have made newspaper headlines, but they had gone out and looked for it. Well, here is something that could be interchanged a great deal, and it would seem to me, anyhow, that someone on the staff where we could go and get together and work, at least with the national bodies, not only ourselves but others, might be a solution to this problem. This would be preferable, I think, to all these advisory committees and boards.

THE CHAIRMAN : Well thank you very much for your suggestion Miss Godfrey.

MR. ALBRANT : I was asked to tag along, I think as an afterthought, because the





Community Chest Councils Division was responsible in the initial stages to do something about this and I think it is probably not inappropriate for us, when we are looking critically at broadcasting in Canada, to consider what is good about it.

Our division is quite happy with the situation as it is, in the main. We feel that we have a pretty sound system, particularly at times of Community Chest campaigns, - federated campaigns and that kind of thing, when we have found both the CBC and the private stations sensitive to opportunities to make the services of the agencies known.

I think that if we were going to make one suggestion to improve things, it would be in connection with the amount of huckstering business that you only do at a time when you are appealing for money and there are occasions when, of course, social welfare has been interpreted, but we feel that if there could be a more on-going kind of interpretation, and if more time were set aside when you were not asking for money, to interpret the work of the Childrens' aid societies or the family agencies or government programmes and so on, it would be helpful and we feel more attention should be given to this kind of thing.

MR. COMMISSIONER STEWART : Don't you think the initiative on this subject should come from the various bodies which are interested because after all, the stations, whether they are



the CBC or private, have such a gamut of interests to pursue and satisfy, that one or other of the agencies, operating for the public good, may be overlooked.

I think you would agree in that case the initiative must come from the agencies themselves.

MR. ALBRANT: Yes I agree. But I think there is a tendency when there is a lot of enthusiasm engendered for the sort of national campaign or national federated effort, to give attention to it at that time, both on the part of agencies and also a sympathetic ear both on the part of the public and the private broadcasters.

THE CHAIRMAN : You don't think just on that point, that if you keep ringing the bell too much that you won't get much listening to your pleas when the actual drive is on?

MR. ALBRANT : No - I don't think so. I have seen the local situation where we have been able to initiate things in this country, and where we have as a matter of fact, some research on this subject. The motivation research and so on seems to indicate that it is really more important to keep in touch with the subscriber after he has subscribed, than before, in terms of making him feel important, and the reasons people have for giving and so on.



In between, it seems to me, at a time when you are not asking for money, you have a better opportunity to not seem to have that kind of axe to grind in the interpretation of what your agency does.

MISS GODFREY : I think you are quite right about that and it goes partly back to the problem I mentioned, that it is extremely difficult to get any co-ordinated plan.

MR. DAVIS : I would like to add a foot-note here on one important point, if I may. I think this should have been brought out a little more in the brief, but one thing that we are very proud of in our council is the collaboration we have between the French and the English Canadians, For instance, French Canadians hold the highest office in our organization, both on our board and on our staff - and we try to operate in a bi-lingual way, which we do, apparently, well.

We have thought a bit about this question of national unity. Our concern is welfare' programming in the narrow sense, but we are an agent working for the national unity.

We have our two networks and the Massey Commission, as you know, made quite a lot of the CBC being an agent for national unity. Actually we have two systems - we have the French system and the English system, but the French system is







rarely turned on in an English home and perhaps it doesn't work the other way. Perhaps the French do turn on the English stations, sometimes.

I heard this morning the suggestion that perhaps there could be some French programmes on the English stations and I wondered about that, because we always have this same problem when we have our meetings on Canadian Welfare Council, on the whole question of interpretation, because to such a large extent the English members do not understand those who speak French.

I wonder if the CBC couldn't be more ingenious in the introduction of French programming on the English network. It would be the ultimate objective to teach the English to speak French. But perhaps I am not an ardent fan and don't turn the dial at the right moment. However I did listen once to some programmes which were intended to teach French and I enjoyed them. I don't think they are doing them now and I just want to say that as a little footnote, that I would like to suggest, if anything could be done to help the English people to learn French through the medium of TV and radio, I think it would be a good thing.

THE CHAIRMAN : That is certainly one point which is being raised in the hearings on several occasions and when we have the CBC and the private stations before us later in the hearings,



I propose to ask them something about this.  
I understand that there are some problems  
connected with this.

MR. DAVIS : You will have to talk  
slowly.

THE CHAIRMAN : I am not sure about  
the batting average of public opinion being  
very high, generally, on this subject. There  
are a certain number of people, like yourself,  
who would say it is a good thing, but I am afraid  
there are a great many others who might protest  
even more vigourously than you would approve.  
As a matter of fact, the very next brief that  
we are going to hear is one from a private station  
which has done a great deal of experimenting  
in this very field, and we will look forward to  
hearing something on this very subject.  
Thank you very much Mr. Davis and your associates  
for preparing your brief and for coming here  
and for your patience in answering our questions.

MR. DAVIS : Not at all sir.

Thank you Mr. Chairman.

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SUBMISSION OF  
STATION CKVL - VERDUN

Appearances:

Mr. Corey Thomson, Station Manager.

Mr. John W. Turner, Legal Adviser

Mr. Marcel Provost, Programme Director

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THE CHAIRMAN: Mr. Thomson, you have been very patiently waiting for your turn on the list. I am sorry we have been so long in reaching it. We will begin by marking your brief as Exhibit No. 228.

EXHIBIT NO. 228: Brief of CKVL - Verdun.

THE CHAIRMAN: I think you know the procedure here, having been here for a couple of days. Will you give us a general outline of the brief, or read it, as you choose, and then we will have a few questions.

MR. THOMSON: Thank you, Mr. Chairman. I would certainly like to thank the Commission for their patience in disrupting the procedure and in allowing me to present this brief on behalf of CKVL at Ottawa. I was radio representative in the NATO tour of Italy, and just got back yesterday afternoon. My clock is still a little disorganized; it is now ten o'clock at night, according to my clock.

THE CHAIRMAN: I don't think your clock is too far wrong at that.





MR. THOMSON: It is just this, Mr. Chairman, that you cannot expect a man to be as bright at ten o'clock at night as he is at four o'clock in the afternoon.

I think, probably, I am not going to read this, but I think probably one of the main things I notice in examining the submissions to the Commission across Canada is that you have had quite a considerable number of complaints, and some of them have been from people who have been more or less successful in the field, and probably some others who were not so successful.

I would just like to give you a little bit of the background of radio station CKVL, because I think a background is rather important in weighing the judgment and the decisions of the people who are viewing it. If you are going to take somebody else's advice, I think, like betting on a horse, you want to bet on a winner if you possibly can, and, first of all, I think this will probably clarify our attitude against the present radio system.

We, as one of Canada's newest, and in ten years of operation, one of the most successful, radio stations, feel we have been reasonably successful.

In 1944 we made an application for a daytime 1000-watt licence, which was granted, and we started operations. After about a year we again appeared before the Board and asked for a full-time licence, which was granted, and which allowed it to serve the City of Montreal twenty-



four hours a day. We were the only station who did it, and the only one who is doing it now.

In 1954, which was after television, we asked to have a power increase to 20,000 watts, in order to combat the decrease in night-time audience, and the CBC because, I believe, they thought we had tried to do a good job, gave us this increase which is one of the largest given. Usually it is from 1000 to 5000, and usually you hover around 5000 for some time, and then finally get 10,000. We took the bull by the horns and asked for 10,000, and it was given to us. The gamble was worth taking because this allowed us to pick up our revenues. We have heard a lot about networks, and I think the Commission may be rather interested to know that we asked for permission about three years ago, on a day to day basis to feed a regional French provincial network by providing stations with some of the very costly live talent Canadian programmes that we were originating at CKVL. I think it is probably a typical example of the flexibility of the regulations. It is like a speed law of eight miles an hour at an intersection, but if a motorist drives across at 20 miles an hour, it is all right providing he is driving properly. The CBC went a little bit out of its way to help us to have a network. They helped us design our master control, and the result was a lot of these stations that probably could not afford to have good French talent -- and I am sure the Commissioners are well aware there is very little syndicated material available





in the French language -- did get it, and it was on a day to day basis. This network continued for many years until, for reasons of economy as well as facility in timing, a system of tape recordings replaced some of the lines. As a matter of fact, we are still using lines for some of our programmes ---

THE CHAIRMAN: Let me just ask you about that, if I may interject at that point. You came up, in other words, with a proposal for a network type of operation?

MR. THOMSON: Yes, sir.

THE CHAIRMAN: And you worked it out, I presume, as a proper proposal to find what it was you were after, and you went to the CBC and not only got their permission but got some cooperation from them in the establishment of that network?

MR. THOMSON: Very definitely. I may say that while our master control was in process of being designed and prepared, with a lot of help from CBC engineers, they lent us enough of their portable equipment to begin this private network probably three months before it would have been possible for us to go on the air.

COMMISSIONER STEWART: Let me clear my mind on one thing. Yours is an English-speaking station?

MR. THOMSON: No, ours is a bilingual station.

COMMISSIONER STEWART: Is that a part of the licence -- is it set out in the licence?





MR. THOMSON: It is a bilingual licence. I may be able to clarify that and give you an idea of the hours of operation. We started as a bilingual operation, and, by trial and error became convinced that the dual pattern is best in the interests of all concerned. We run English from three o'clock in the afternoon until six o'clock and English from twelve midnight until five o'clock in the morning, and the rest of the time is French on the station. In the granting of that licence there is no specific obligation to run a certain number of hours in French or a certain number of hours in English. That is just the policy which, over the years, we have found to be the best.

COMMISSIONER STEWART: You are not committed by your licence to have a certain portion of French and English?

MR. THOMSON: No. This may be rather interesting to the Commission, because a bilingual station has always been a considerable problem. We started one hour English and one hour French, one hour English and one hour French, and we gradually modified that, taking samples and ratings all the time, because if people are not listening to you then you are not serving them, and if they are listening, then, you are serving them, and finally we evolved this present system which we feel is best for everyone concerned.

I would like to give you this



this is just the first part of the brief,

and I probably should say that not only would we not be justified in making any complaints against the present radio system, because we received everything we have, and we are continuing with it, and there has been very little we could have asked for at any time from the CBC that has not been granted, and, therefore, I think that we are possibly an example of the fact that a private station can be successful working with the CBC under the present radio system, and, therefore, we, directly, have no complaints against the present radio system as it now exists.

COMMISSIONER TURCOTTE: Do you still operate that network?

MR. THOMSON: Yes, we do.

COMMISSIONER TURCOTTE: Constantly?

MR. THOMSON: Day in and day out.

The second part of the brief will tell you, for example, it doesn't operate too much in the summer. However, in January of this year we did 172 live talent programmes in one month, all French, employing an average of four artists a programme at a cost of \$3500 a week, and those programmes are fed either on tape or line to different stations.

COMMISSIONER TURCOTTE: Where are the stations located -- long distances from Montreal?

MR. THOMSON: The ones we have are even located as far away as Valleyfield, Roberval and Chicoutimi and wherever any of the stations on our so-called French Radio Association Network are.



COMMISSIONER STEWART: They are not all related by lines?

MR. THOMSON: Lines are not available to all of them.

COMMISSIONER STEWART: You say you operate on a permit? Do you apply and get a permit?

MR. THOMSON: We did not apply for a permit; it is on a day to day basis.

COMMISSIONER STEWART: In other words, it is cancellable by CBC on a twenty-four hour notice?

MR. THOMSON: That is correct. However, a network is possible within the present framework of the present regulations.

COMMISSIONER STEWART: Then tell me this, because it came up either in Montreal or here, that the difficulty in operating under a permit from the CBC, which can only be given on a temporary basis, has the disadvantage of not permitting the operator of that network to get the best possible deal from the Bell Telephone or telegraph companies and which-ever lines he was using. Naturally, if you can only engage your line for one day, the charge would be so much, while, if you could hold that line for a given period the charges would be less. Do you take the chance and take a reasonably long contract with these line companies or do you take a contract on a day to day basis?

MR. THOMSON: Before we left -- as a matter of fact just a few days before I left -- there was a new arrangement that was authorized by CBC whereby in connection with lines we could now







and can now deal directly with the communication companies where before we had to deal with CBC as far as terms were concerned. I cannot answer whether we can contract on a day to day basis or a programme basis, or which way.

Up to two months ago we were not allowed to contract at all. The price of lines is a little more expensive for us than for CBC. Now, today, we are not using lines so much. We find that there is a cheaper way, and as good. We are using tapes. Not all stations are equipped with tapes.

COMMISSIONER STEWART: Your programme is not then coming out live?

MR. THOMSON: For reasons of economy as well as facility in scheduling, a system of tape recordings replaced some of the lines, but not all of them.

THE CHAIRMAN: May I ask a general question. With the emergence and improvement of the tape method is it fair to draw the inference the notion of networks is less important today? In other words, have you got a more flexible, and, perhaps, a cheaper thing instead for certain obvious types of things like sport casts? We may be moving into a new technological phase of this operation.

MR. THOMSON: I think you could probably resolve that down by saying it depends on just exactly how expensive you want the so-called network to be. For instance, to get



our own national network on a tape basis would be cumbersome and almost impossible because of the extent of the organization you have to hook up. I think another thing is the length of time the network would be in operation. If it is in operation six to eight hours a day, the tape system would be cumbersome, and tapes sent by mail do not always get there on time.

COMMISSIONER STEWART: Do your tapes ever get lost?

MR. THOMSON: Yes, you heard that. Anybody that looks after tapes knows there are things that can happen to them. If they are placed in a post office car with a generator, the electromagnetic field noises can be heard on the tape; and a tape is rendered useless by extraneous noise. The way tapes are best shipped -- they are always shipped by registered mail and usually special delivery if there is any urgency. In addition to which, in the matter of packing, instead of packing in the ordinary cardboard they pack them in a metal container, which tends to stop this electromagnetic field from imposing noise.

COMMISSIONER STEWART: You have had no particular difficulty with mails?

MR. THOMSON: I think His Majesty's mail was and Her Majesty's mail is just as good as any way.

MR. de GRANDPRE: Where you are talking about network operations in your stations, do you



simulate the network in the sense that the same programme will go on the air at the same time or do you broadcast live in Montreal, let us say, on a Monday, then ship these tapes over to the other stations so they can broadcast these tapes at a convenient time?

MR. THOMSON: I think that is a matter of convenience. If I may suggest, Mr. de Grandpre, where you were suggesting we put on a programme live at one station and making a recording in any shape or form to put on another station at a later time, that is called delayed. There are several ways in which a network can be served. There is a direct line, and there is simultaneous broadcasting. In other words, performers perform at a time and place and this is heard simultaneously in some instances as you just suggested, live at the original station, and recordings would be made to be broadcast at a later date when it would go on the other stations, either simultaneously on other stations or at times convenient to them. There is a third way, which is more convenient and in which artists collaborate. You take a special portion of a programme at a time. You would record this on tape and then send them out, so that it will be acceptable and appreciated and respected in all of the countries of the world.







At a later date it would go on the other station either simultaneously or times which would be convenient to it. Now, there is another way which is very convenient and which the artists unions have collaborated on where you take a special type of programme and where you bring the artists down and do a series of five of them in advance and do these five in one day instead of five successive days. You do five in one day, you record this on tape and send them out well in advance and in some cases they would be on simultaneously a week later and in other cases where it might be more expedient the tape has a tremendous amount of flexibility because, as I suggested, it would be going on at 8 o'clock once on one station and the other at 3 in the afternoon. There are three types, the direct, the delayed as it is called and what we call a pre-recorded.

THE CHAIRMAN: Well, this raises one other question which I would like to ask you, it is rather a general one but you have lived with the system and in Canada for some years we have had it put to us that there are important national functions to be performed that are also very important locally, a community function to be performed. On that approach in broad terms the concept is that the main national function is performed by the CBC, the main community function is performed by the private stations although there is obviously some overlap in both directions.



Now, we are faced in many submissions with this complaint about networks and to some extent, as you have illustrated, networks are possible and in a proper case there is no difference. I am concerned more with the question that arises in Montreal where you have a private station, let us say, doing a community job. If that station were to move over to a predominantly network operation would it not be almost inescapable that the community service would suffer?

MR. THOMSON: Well, I think, Mr. Chairman, I would suggest that that would depend upon exactly what the network commitments would be. I think that a station that had committed itself to a very large operation on its best time to network commitments probably could not do as good a job, as good a community job as one that was more or less free, that could carry out its community function. Naturally it is quite understandable that the CBC, as a matter of fact, is certainly going to ask for key time for rebroadcast of the programmes.

THE CHAIRMAN: May I interrupt you there, is it not true that the economics of network operation on a sort of programming basis are very much better if you can put at least a minimum of six hour\$ operation on the network from the standpoint of line charges?

MR. THOMSON: That is about just exactly it, I think we have of the best radio men in Canada now, as a matter of fact, that is exactly it.



THE CHAIRMAN: I think it was one of your competitors in Montreal, a private station, Mr. Dupont, that I put the situation in these terms that he had done, it was a pretty conclusive case, a good community service on his station in Montreal. When we came to asking about networks I said, "If you get this kind of six-hour network on your station is it not going to affect your community service?" and he agreed it might.

MR. THOMSON: You mean take things on a national basis for six hours and take these hours of radio time and do as good a community job because naturally this network is of a national nature.

THE CHAIRMAN: So if we look at this as we must do from the overall broadcasting service point of view, while you may get something better in the national service you may lose something in the process on the community service.

MR. THOMSON: There is always that danger. As a matter of fact, I could take a typical example; my brother owns a station in Quebec City which has commitments to the Trans-Canada network and in the event that there is something of a very important community nature going on the CBC through their programme department will waive some of the network commitments and let it go through. However, the mere fact that it has to be waived and the permission has to be asked would suggest that a local station can do a good community job and probably its best community job if it does not have its time devoted







to network commitments. Of course, there is another side to it, you might expect a station in a small community with a 550-watt station to do as good a community job as a 10,000-watt station but I think that would be almost impossible to say when these six hours of your time are taken up on the network you cannot do as good a local job.

MR. THOMSON: I think if CKVL has any formula for what might be called the large percentage of the audience we have, I think it has been the tremendous amount of money we have turned back into live Canadian talent. We have, as a matter of fact, in the past 10 years spent over \$2 million in live Canadian talent and we are keeping it up. We are very proud and happy that we won the very coveted Variety award, and this was on a North American continent basis, for showmanship. In one month, January of this year, CKVL featured 172 live talent programmes, averaging four artists per programme. The Canadian artists, of course, have many problems and in many cases very little encouragement. I think that almost everybody who is in the professional field, in the artist's field, realize that themselves. In Canada, from the performer's standpoint it is but a part-time proposition. One of the unions, one of which I am a member myself, found that from 600 members there are only 81 who are able to make acting a full-time profession. In other words, they have to do some kind of work and act in their spare time. That is not only in connection with radio



because my sister is interested in the theatre in Canada and I think that is true of most of the talent here in Canada, that it is only a part-time proposition. Then too, once they attain stardom they have pressure placed upon them from England and the United States and the French-Canadian artists from France. Now, with the uncertain financial reward and lack of full-time opportunities in Canada, when they are contrasted with the tremendous artist and musician content of lavish American productions, it is obvious that something must be done. Then, this is nothing new, it is an endorsement of something that has been presented and that is that something be done about the imposition of a customs duty or sales tax on all imported commercial programmes whether live, taped or filmed, and all sustaining programmes if the content is not of a cultural or informative nature. Much of Canadian industry enjoys prosperity and security behind tariff barriers and without them unemployment figures would soar. Most Canadian workers who enjoy full-time employment, from the labour or to the craftsmen, do so behind this barrier. Why not the Canadian artist? I am sure in other fields there would be a cry for dumping if a cheap load of cheap textiles comes here there will be a hue and cry and the load will be dumped but an American firm can send a \$100,000 television programme across our border without charge. As a matter of fact, Mr. Dunton in a recent speech in





Montreal admitted -- I do not like to use it but I think I will -- in some cases the American firms who have branches in Canada, in some cases they pay very little for f.o.b. Windsor or Buffalo and in many cases they do not pay one cent, they just come up and pay for the Canadian distribution. There are duties on tobacco, steel, cameras, cars, stoves, refrigerators, we could go on and on through a book thick list of the material things of life but commercial radio and television come into this country free.

Another thing we should like is to group films and transcriptions with live network programmes. In our considered opinion there is little difference between a Canadian produced film, a Canadian-produced transcription or a Canadian-produced live programme. They are intrinsically Canadian and to prosper must be given equal protection. I just do not want anyone to get the impression that I am anti-American, I think probably pro Canadian would be a better expression.

Now, I am quite sure that it is very easy to make recommendations but it is probably a little harder to carry them through. How would we calculate the duty? I think it is quite simple, I think the duty should be based upon the actual production costs of the original programme, film or transcription.





Well it is very simple - it should be based upon actual production costs of the original programme, or transcription. The administration could then be handled by a board comprised of one representative from each of these interests, plus, I believe one woman who should be on the board. I believe a religious group should be on the board and I would also suggest that one man from a high income group be on the board and one man from a lower income group, to discuss how this should be accomplished and the distribution of money. The distribution of money could be arranged on a programme by programme basis, or a film by film, or transcription by transcription basis.

In other words, the authority on production, or film, or anything else, would submit a proposal to give a complete and accurate tabulation of costs for the consideration of the members of the board.

The argument may be presented that you couldn't stop non-Canadian programmes from entering the country over the air. That is quite true, but statistics show first of all, that most Canadians don't get the best reception from non-Canadian stations. As time goes on Canadian artists and musicians will become experienced and improve in stature -- Canadian audiences will certainly become more appreciative and one thing about American



stations coming in by air, - although we have no control over this - at least we can control our own stations and what we would see at least would be Canadian, and it would certainly be the start of a very distinctive, very much needed, Canadian culture.

MR. COMMISSIONER STEWART : To go back one step on page 4, you say how the money should be distributed on a programme by programme or film by film or transcription by transcription basis. I don't know that I can follow you there.

MR. THOMSON : Mr. Stewart, I think perhaps the best way to explain that to you would be like this. We could set up a board and I have a tremendous idea that I would like to produce a series of programmes, let's say on Canadian islands. I think I have a case. I get my facts together and I go before the board and say I would like to produce this type of programme and I produce all the facts of what I am going to do, what is involved in the way of people I am going to employ and so on, and the board, if they decide the programme has merit and could be justified, would direct the competent authority to grant the money to do a specific programme, which would be available-- not only to the CBC but to the private stations.

MR. COMMISSIONER STEWART: The tariff then would not go into the consolidated



revenue fund of the government ?

MR. THOMSON : No.

MR. COMMISSIONER STEWART : It would be ear-marked for further productions?

MR. THOMSON: Yes. I may not have been quite clear on this - they would be ear-marked for that purpose, yes. The final portion of this submission is concerned with our feelings and observance regarding the reasons for forming the regulations on licenses - although I know at this time the CBC is not entertaining applications from private interests where services are now being maintained. However, when the time does come, we respectfully suggest the commission should give consideration to the applicant for television who has done the best job in radio.

We also respectfully suggest that no television interest, without endorsement, may create a radio and daily press and television monopoly. I may add here another point which I think is very important, because it is not in the Canadian Broadcasting Act, at least in the current Broadcasting act -- and I would very much like to see one of these recommendations go through -- that no Canadian station be indirectly or directly controlled by any American television or radio station.

There is nothing in the legislation as presently stated which limits the amount of participation







by the American individual or firm, in either radio or television in Canada.

We know of two instances which I personally have fought very vigorously - only as an individual - where control of a television station in Quebec City and the control of television stations in Kitchener, Ontario can be traced to the United States.

I don't think that this is good and I would very much like to see some sort of limitation placed upon the amount of American participation. This is true in most countries of the world - that you have to be a Canadian company or a Canadian group of Canadian citizens in order to operate this particular type of thing.

THE CHAIRMAN : As a matter of actual practice, on that point Mr. Thomson, with these exceptions you made, is the question of actual ownership not pretty carefully considered in granting licenses and changes of ownership, today?

MR. THOMSON : That is true - it is sir.

MR. COMMISSIONER STEWART ; And the shares.

MR. THOMSON: Yes - it is the lack of any specific law or regulation which would say there can be only 'this much participation' and there is no reason that I can see, why you couldn't obtain a license -- today.

THE CHAIRMAN : Yes but I just wonder if it actually is handing out licenses



in the process, today?

MR. THOMSON : Well there are the two licenses granted so far and there would be no reason for not granting them.

THE CHAIRMAN : I was just putting to you the suggestion that in actual practice the granting of licenses involves, according to my understanding anyway, the very careful consideration and study of the potential ownership.

MR. THOMSON : Yes, that is very true.

THE CHAIRMAN : I thought that was the point you were making - that although not in the Statute, it is in fact very carefully applied in practice.

MR. THOMSON : That is possible sir, but let us put it this way, it is the few exceptions that interest me. I just don't want to see it happen again.

Another thing I would like to say is this -- no television license should be granted to any applicant without his making a guarantee to spend a very handsome sum on Canadian programmes.

MR. COMMISSIONER STEWART : That might be all right for the city of Montreal, but take for instance, in Cranbrooke, British Columbia, there is a little place where there is a television or radio station - naturally they could not possibly be expected to spend the same amount.



MR. THOMSON: I did not say amount - I said percentage. They should spend a handsome sum, in the same proportion of their budgets; I should have said perhaps, for example, a certain amount of the gross, let us say 10 per cent or 15 per cent or 20 per cent, of the gross. As you suggest, Montreal would be a handsome figure, but nevertheless it would be quite possible to put on a less elaborate thing, much less expensive.

I mean the amount of time - which is the thing that interests me, not quality.

MR. COMMISSIONER STEWART : You would change that to read " in the same percentage " ?

MR. THOMSON : In the same percentage - yes sir.

MR. DEGRANDPRE: Percentage of time?

MR. THOMSON: Time - yes - percentage of time. It could be a Canadian programme, if you go through a camera on the newscasts, a man reading the news for example -- it is still a Canadian programme. I am quite sure that the Commissioners are anticipating the possibility of ultra high frequency, and when this is crystalized the eastern portion of this continent will have a tremendous increase in the number of channels. When the time comes for allocating these channels, the increased channels, we suggest that they be given in their entirety to those interests which,







in the opinion of the Department of Transport and the CBC board of governors can fulfil the conditions which are outlined.

Another suggestion we have to make is that the French-English population ratio be given very serious consideration and the granting of private television licenses in the province of Quebec in general and the city of Montreal in particular - and the majority of the available channels, be located with this linguistic ratio in mind.

The French-speaking Canadian being restricted to local channels might otherwise, through a powerful medium of television, lose some of his cultural heritage and the right to enjoy the very varied choice of television programmes in his native tongue.

THE CHAIRMAN : May I interrupt you there -- thinking now of VHF channels - there are only two in Montreal?

MR. THOMSON : That's right.

THE CHAIRMAN : I suppose if and when this point comes up, the almost inevitable result will be that one of those will be English-speaking and another French-speaking?

MR. THOMSON : True -- I have not touched on that because there is a situation I believe, of conflicting interests. I think that with a very little effort there could be actually more than



two channels now.

THE CHAIRMAN : In other words you are really saying that you cannot apply the kind of percentage you were talking about, to two channels, but you think there should be more channels to which these percentages could be applied ?

MR. THOMSON : There will be more channels available very quickly.

MR. COMMISSIONER STEWART : Let me put this on a rather broader basis -- you have a number of channels now available in the city of Montreal by reason of the use of VHF. If you are going to divide these channels according to the ratio of French and English-speaking people, you can quite easily deprive the public of a number of channels because, on your French-speaking stations you cannot import to the same extent, programmes that would be suitable for digestion in this country as you can on the English stations.

You might absorb or get to saturation point on French stations much more quickly, and the result would be, if you are going to get it on a definite percentage basis, you would have a lot of frequencies that would not be available at all.

MR. THOMSON : That is quite possible Mr. Stewart. On the other hand, I believe in the part of my brief on page 7, where I mention it should also be considered that a French television license



is far more incumbent, financially, upon a station than is an English license.

This is because there is little material such as famous live network shows, syndicated films etc. available to the French station. In other words it must have a substantial budget - a large staff and comprehensive facilities, inasmuch as a considerable proportion of its programming must be either live Canadian artists or Canadian-produced films, since some of the French fare which comes over is not completely and wholly palatable and acceptable to the French-speaking public. The situation could arise that we were forced, for example, to bring too much of France to Canada instead of developing as much of Canada for French-speaking Canadians as could be arranged. The statistics seem to show a rather interesting thing - that more and more French-Canadians who never listened to English radio or who very seldom listened to English radio, are now looking at the English television programmes.





COMMISSIONER STEWART: Yes, but probably if you were too insistent it may be to the detriment of the French-speaking Canadian culture, and I don't know we would want to see that.

MR. THOMSON: The danger is very real.

COMMISSIONER STEWART: Yes.

THE CHAIRMAN: What you are saying, Mr. Thomson, in effect, is that in the general long-term interests of Montreal, to take that example, it is desirable to preserve this linguistic balance?

MR. THOMSON: I think it is only fair.

THE CHAIRMAN: Even though it may mean you would have a less number of stations than you otherwise would have if you opened it right up?

MR. THOMSON: I would suggest, for example, if there were five channels available, possibly two of these would be English and possibly the others should be French, or earmarked for French -- available on your market in French. In our instance here, we of CKVL are very keenly aware of this responsibility. When the time comes we are perfectly willing to discharge it. I can make a very firm commitment here that we, as an example of what a private station is prepared to do, are prepared to spend a minimum of \$3 million in the first five years on live Canadian programmes, and that is it -- \$3 million. That would, of course, be on either film, kine, as the case may be.

THE CHAIRMAN: Yes, but you said live Canadian programming, but you mean ---



MR. THOMSON: I consider that a live film is live when it is filmed. If it is before a movie camera, we have a live programme.

THE CHAIRMAN: The essential word is "Canadian"?

MR. THOMSON: I don't make any distinction at all.

THE CHAIRMAN: The essential word is "Canadian"?

MR. THOMSON: That is right. Some times it is rather interesting to hear, "This is a transcribed programme", while, actually, when you stop to analyse all the electronic changes and the mechanical changes which take place from the time of the actor's mouth to the radio, one more process out of those sixty-three is very small.

COMMISSIONER TURCOTTE: I would like to get your opinion on one point: you were saying that more and more French-speaking Canadians look at English television. Is it your experience they look more at the American programmes on English-speaking television? Are not those the programmes that attract them from the French stations, and not those created by CBC?

MR. THOMSON: As a matter of fact, I am prepared to answer that question with considerable precision because in going over the so-called ratings, which may not be accurate to the nth degree, nevertheless give us a little index: as always, your lavish American programme, with a lot to see and not too much to hear, they can look at a programme with



a lot of dancing girls, because a dancing girl is very international in character, and they would look at this type of programme much more frequently than they would probably sit and look at a forum or something like that. But, nevertheless, what I am trying to say is, in the beginning of television the French-Canadian was very faithful to his own language, and a little while later you could see this tendency to look more and more at the English programmes, especially those which were large and lavish. A great deal depends on what is available to him at the same time.

COMMISSIONER TURCOTTE: And those are not American programmes?

MR. THOMSON: Not necessarily.

THE CHAIRMAN: You say it is because they are lavish and not because they are American?

MR. THOMSON: That is right.

COMMISSIONER STEWART: Mr. Thomson, you must have looked at a lot of television in your day, and probably ---

MR. THOMSON: I even worked for the CBC, as a matter of fact.

COMMISSIONER STEWART: Yes, but you have gone abroad to look at it, and we are dealing with the United States: there is naturally a great variety of programming going on all over the country at all times. I imagine that here in this country those American programmes that come to us are probably the best that they produce down there.

MR. THOMSON: Are you asking me a question?







COMMISSIONER STEWART: I am making that as an assumption, that it is probably the best produced ones down there that we see. Do our programmes measure up with the average in the United States?

MR. THOMSON: That depends, of course, directly upon your tastes. That is something which you can't handle. Some people -- for instance, you will find that European television, both in Germany -- I happen to like German television very much; I like the way the commercials are presented, because they have a tremendous emphasis on good music and opera -- things, unfortunately, that you are not always able to get, and things which most of the people apparently do not want most of the time on this continent. I will say this, that I think Canadian television has made more rapid strides in the length of time that it has been on than American television and/or British television. In other words, they have not advanced as far as we have in the same length of time. I think Canadian television has done an excellent job as far as it has gone with the facilities available to it. Some of our programmes I would compare very favourably with any of the programmes of the United States, except those with a tremendous budget which are just absolutely overwhelming. Some people may think that taping a programme is good, and others may not, but the fact is they are made for the American mentality which is not always like the Canadian mentality. But, most of the people want to look at them most



of the time, because they studied it very carefully to see who is going to look most of the time, and the only way they put on lavish programmes is that the so-called "cost per listener" would be just as low as the cost for more. European television I would put -- well, I will say this, that Canadian and American television can, I think, compare with television anywhere in the world.

COMMISSIONER STEWART: Yes, but I think our interests in this country, because of the proximity of the United States, are somewhat different.

MR. THOMSON: Definitely.

COMMISSIONER STEWART: And you, as a connoisseur, shall we say . . .

MR. THOMSON: That is right.

COMMISSIONER STEWART: . . . I would like to get your opinion.

MR. THOMSON: You are asking me a question?

COMMISSIONER STEWART: I would imagine we are probably seeing the best of American television in this country?

MR. THOMSON: It depends on what you call best. We are seeing the most expensive.

COMMISSIONER STEWART: All right, we are seeing the most expensive.

MR. THOMSON: Yes, and we are seeing the most commercialized.

COMMISSIONER STEWART: But they have an awful lot of trash on their television screen day after day?



MR. THOMSON: They certainly have.

MR. PROVOST: Don't you think that we are giving the Canadian people the habit of regarding American programmes as better than their own?

MR. THOMSON: I didn't, Mr. Chairman, introduce Mr. Marcel Provost, our director of French programmes.

MR. PROVOST: I have an instance: One night there was a Studio One programme in the United States where practically all the stars were Canadian, and the producer was Canadian. I am willing to wager that that programme, coming from the United States, was much better rated than the same kind of programme with the same artists, produced in one of its stages in Canada.

COMMISSIONER STEWART: That is the point I am getting at. I have asked this question before: Are we as Canadians getting the impression that far-away fields are green, or have we got an inferiority complex, or what is the matter with us?

MR. THOMSON: What is probably wrong is the fact that we have too few really top Canadian artists who can afford to stay in this country, and I am quite sure that, technically, we have as good makeup people; we have them too few in number. We have as good film companies, and I think everything we have in Canada is just as good as what they have in the United States. The only thing I would suggest is that we haven't got enough of it.

COMMISSIONER STEWART: Are these critics of Canadian television judging American television







by a few lavish shows?

MR. THOMSON: Definitely, and if you went out to Sioux City, Iowa, or something like that, and saw some of the old things they put on out there, you would really say that what we are getting is really something.

THE CHAIRMAN: It may interest you that we are having a survey made which may give us some chance to speak as to this particular feature . . .

MR. THOMSON: Good.

THE CHAIRMAN: . . . as to the sort of comparable fare that is offered by Canadian television, taken en masse to Canadians, and by American television taken en masse to Americans.

COMMISSIONER STEWART: I thought it would be valuable to get a biased opinion.

MR. THOMSON: I would just like to repeat: I think, after all, Canadian television is not old enough yet, but it has made much more rapid strides in the length of time it has had. It is improving every day and every week, and I think that will continue, but I think the time has come to impose some sort of a barrier which will allow it to develop a Canadian way of life and present the Canadian scene to Canadians.

THE CHAIRMAN: Mr. Thomson, have you finished going through your brief?

MR. THOMSON: Yes, I have.

MR. de GRANDPRE: Some of the questions I had have already been covered, but I have a few general questions I would like to receive some



comments on from Mr. Thomson. From what you have said, and from what we have heard before you appeared before us, your station has apparently been successful in presenting a fair proportion of Canadian programming. Could you tell us what is your proportion of Canadian programming on your station so as to give us a standard?

MR. THOMSON: It is probably ninety-eight per cent, because we are a French station.

MR. de GRANDPRE: It is ninety-eight per cent Canadian live talent?

MR. THOMSON: Oh, no, not live talent.

MR. de GRANDPRE: You didn't make any distinction before: it could be films, Canadian produced films?

MR. THOMSON: We have a radio station.

MR. de GRANDPRE: I mean tapes -- recordings; I had tapes or recordings in mind.

MR. THOMSON: Well, let us just put it this way: you are asking for an actual percentage; you mean a percentage budgetwise or timewise?

MR. de GRANDPRE: Both.

MR. THOMSON: Once again that, of course, would be a subject of definition. We would consider live Canadian talent, let us say, a live Canadian disc jockey announcing live Canadian artists who were singing on Canadian produced recordings. We would consider a live Canadian programme, for example, an announcer or a master of ceremonies putting on a one-hour children's amateur show. That is one extreme where you would have that called Canadian



programming. On the other extreme you would have some very costly live talent programmes. We have one series on Bible stories, where there are as many as nineteen artists and we take the whole story of the Bible. So, I think that the fact that we are a French station would naturally imply that we have to do a lot of Canadian programming. You were asking for figures: the figures I gave you were, I think, about 172 artists in one month, and we spend -- and I think Mr. Young will correct me if I am wrong in this -- but I know the unions and several people say that we spend more money on live Canadian talent than any other Canadian broadcasting station in Canada, regardless of talent.





MR. deGRANDPRE: You wouldn't consider, for instance, a disc jockey type of programme -- the American importation for Canadian production.

MR. THOMSON: I don't think you could -- not strictly -- and even on this importation you have a reach a 98 per cent level. I would say, as far as Canadianisms, of the amount available we are spending on Canadian talent, live Canadian talent, and the making of recordings with Canadian artists, if that is included, I would say the proportion would be well over 70 per cent. The balance would be American recordings and a little bit of American programming.

THE CHAIRMAN: I don't want to get into any detail on personal figures, but is it fair for me to ask this? You have operated this station, and according to your employees you pay a good and reasonable, or fair wages, in their opinion, at least, and the financial position of your operation has been that you have operated with a profit. I don't want to know anything about it, but I want to know if this operation can be described as not being philanthropic?

MR. THOMSON: If you want to get good men you have to pay them. I can remember the time Jack Tietolman was taking \$75 and I was taking \$50 out of the station, and we were paying \$200 a week to a disc jockey.

THE CHAIRMAN: I was only asking, really, about the everyday results. You have been able to do what you have described and



end up in the black at the end of the year?

MR. THOMSON: Very much so; very much so.

THE CHAIRMAN: Will you tell us what impact TV has on radio and what steps you have taken to counteract this impact?

MR. THOMSON: In the evening hours the sets in use went down. Then, of course, the value of the evening hours, in the financial sense, was not as great, and evening time in the old days was always the highest. As the sets in use started to go down, with more people buying television sets, CKVL analysed the situation from a very realistic point of view. We decided we were charging too little for our afternoon time and morning time and charging too much for our evening time. What we did was come to see the CBC and say, "We need more power", and they gave us more so we could reach out and what we lost in numbers in a smaller area we gained with a lower percentage over a larger area by increasing the power from 1000 watts to 10,000 watts. Realistically, we realized the time was over -- there was no sense fooling about -- there were two hundred thousand television sets and we realized our evening rates were too high and the afternoon and morning rates too low, so we reduced our evening rates and the afternoon and morning rates were made higher.

THE CHAIRMAN: This reduction in the number of listeners is lessening by degrees or tapering off?

MR. THOMSON: It is tapering off. You





see, the information you get from month to month, it was a percentage figure. It is not what might be called quantitative. It was percentagewise.

Another thing that might be of interest to the Commission is the fact that the French Canadians listens to his radio and has a much higher percentage of sets in use, and uses his set more than the English-speaking Canadian. As a matter of fact, he is the highest on the North American continent, except in certain districts.

MR. de GRANDPRE: Even if he has a TV set?

MR. THOMSON: No, not necessarily even with a TV. But taking the percentage of sets in use, you have more French-Canadians than even the English-speaking in Montreal, and it is even higher than the English-speaking in Toronto. You have to meet that problem. You have to meet it realistically. If you are going to reach people for \$20, then suddenly have all those people fall away, you cannot charge \$20.

MR. de GRANDPRE: But the radio, that is with us still? You are not of the impression that the radio is a thing of the past?

MR. THOMSON: No, radio is not a thing of the past. The woman of the house cannot stay glued to the television, and the television people have not yet devised a television set that provides suitable fare when you are not looking at it. The radio has a technique of its own, in its writing, saying "Here I am in the ballroom"; it establishes a locale, and in television you wouldn't say that.





And confusion can exist by shutting your eyes when watching a television programme. It is something you should experience some time. It is not possible for any human being in this world to sit twelve to fourteen hours watching television sets.

MR. deGRANDPRE: There has been a lot of talk where there was competition between CBC and private stations, and you started to say in your earlier remarks that CBC helped you to establish your network. Do I take it from those remarks that you feel there is no competition between CBC and the private station, or do you feel there is a certain amount?

MR. THOMSON: I am speaking for my own station. The latest figures show we have forty per cent of the French audience in Montreal, so competition is not too keen. I think a very fundamental and basic thing that I would like to reiterate, so you can be aware of it -- I think there is one thing that CBC can do which I think would be a great help to the private stations in the Province of Quebec -- the French stations -- towards doing a better job, would be the effect of lowering rates for them with the CBC French network. If somebody on Trans-Canada buys from the Dominion he gets the usual discounts, and maybe after buying Trans-Canada and Dominion he can handle large advertising and so forth, then people like that can turn around and buy French network at a further discount, which means there are very powerful stations with wide coverage. In my opinion, they have established a rate ceiling in these instances which is too low.



It may be rather interesting to just go through these stations' data and just analyse the thing and try to compare the two and if you compare the two you will probably find that while the CBC may be asking all that the tariff will bear in certain cases . . . for 50,000-watt clear channel that the cost in that area is extremely low in many cases and in the case of the English advertiser who has both the Trans-Canada and the Dominion, and wishes to put it on the French network, with this extra discount that he gets puts it down to a considerable extent. Actually on some of the stations you can buy five minutes on a CBC clear channel station for less than you buy a spot announcement on a private station of less power. In one case you could actually buy 15 minutes if you buy on Trans-Canada or Dominion, you can buy 15 minutes of CBC French for less than one spot announcement.

COMMISSIONER STEWART: There is a certain amount of dumping going on by CBC in Quebec?

MR. THOMSON: I do not know whether you could call it dumping. I think the CBC rates are a little bit too low. I do not mean they should raise their rates to where it would make any appreciable difference in the amount of money they make at the end of the year but you must realize where you have government stations that are working on their clear channels they must realize there is a feeling on what private radio can charge for its service. It is like the C.N.R., they charge \$1 so you can go some place and it would





take quite a lot of persuasion to push the C.P.R. to charge \$2.75. As far as the CBC is concerned we have no complaints. I think that within the CBC there are a few suggestions I might like to advance and one, of course, which is rather interesting is, I believe that the CBC has these tremendous 50,000-watt clear channel stations and I know that travelling through the States I can hear them down there. I would like to see the CBC clear channel stations kept open for an extra half hour at night and I would like to see them work with our good friend Leo Dolan for tourist propaganda to bring the Americans up here in greater numbers. Let us make them again our greatest export. I think that is a great loss, a tremendous loss because here is one of the mediums that penetrates deep into the United States so let us make a definite appeal to the Americans. It is a fact that the American who used to spend a considerable percentage of his tourist dollar here is spending it elsewhere; he is spending one-half in Canada today to what he was spending in Canada just three years ago. Here we could leave the switch on at 12 o'clock or 1 o'clock and regardless of what the expenditure is I think the service that would be rendered to Canada by keeping these clear channel stations open on an individual basis would pay off. Manitoba would say, "Come to Manitoba, here is what we have got", and the other provinces could do the same. Some





of these stations are extremely powerful stations because of their frequency; take the station in Watrous, let us keep it open for an extra half hour, let us turn it over to Leo Dolan, let us use it the way we are using short wave over in Europe where they tell you to come to Switzerland, and things like that. I think that would be most interesting.

Another suggestion I would like to make, mind you, these are personal, but I believe that the CBC could also put on 15 minutes on the national network at a late time to teach French, whether you wanted to listen or not. I have had a tremendous amount of experience in this field and at one time I wanted to give it up and the people in Montreal would not let me. I think the people in Canada should have an opportunity, if they wish, to learn French and I believe that 15 minutes to one half hour under the direction of a competent teacher, not a professor, but somebody who can make themselves interesting to the business man from Ontario if he wants to be able to order a meal in Quebec, I think that should be done. I think it could be done with very, very little effort. I am in complete agreement with the fact that a half hour French programme should be put on the English network. Why not say, "All right, so you want to learn French, well then buy a text book and listen to the CBC on Sunday from 10.30 to 10.45".



THE CHAIRMAN: Tell us a little about your own experience in this field.

MR. THOMSON: I learned French about 10 years ago, I went back to night school and learned it and then a lot of people wanted to know what the short cuts were and so on and so forth and so I started and I must say the French-Canadians have been very generous to me.

THE CHAIRMAN: I am thinking of your experience in CKVL.

MR. THOMSON: I am coming to that. What they did, this French-Canadian organization sort of backed and encouraged this particular endeavour to such an extent that this programme of teaching French has been on CKVL ever since it opened nine years ago. To give you an idea of the interest there is in it, at one time when we were giving away little vocabularies, in one month we had 11,000 stamped, self-addressed envelopes come in for copies. The thing got so cumbersome, we were soon out of lesson sheets so I took a text book, Hugo's French and we have sold it out four times in Montreal. So, there is tremendous interest in it and I believe whether there is interest or not I would like to suggest it may be one of the obligations of a national system to at least make this available. I do not think it would be too painful for 15 minutes or half an hour once a week.

THE CHAIRMAN: Are there any other specific suggestions you have? I have one final question to





ask you and I want you to feel free to add anything else you wish.

MR. THOMSON: I do not think there are any other suggestions except to say that you have been most patient with me. I think I can sense the question now.

MR. deGRANDPRE: I was just going to say to the Chairman that perhaps we have the same thing in mind. You have lived with the CBC for nine years?

MR. THOMSON: I beg your pardon?

MR. deGRANDPRE: You have lived with the CBC for nine years and apparently you have not too many complaints accumulated over that period; other people had several complaints and they wanted an independent board, now, do you think that is necessary under the present system?

MR. THOMSON: Well, I think you have asked me the \$64,000 question. Of course, some people who are living under a monarchy would prefer to live under a democracy. I believe in going over the clippings and from the insistence of your Chairman to try to get specific incidents of injustices or things of that nature, I have not seen too much that has come up in the way of complaints. There have been objections but probably more than there have been in the actual application of the way that most private radio stations have been treated by the CBC. Maybe the CBC is leaning a little backwards in this thing realizing the power they have and are not doing it. I would like to suggest as far as I am concerned, as far as we can see at





the present time, if you like the bricks the house cannot be all bad and the CBC is composed of some very competent men and I think they have proven themselves to be reasonably fair. I would like to suggest that possibly it is better to live under a benign monarchy than a questionable democracy.

COMMISSIONER STEWART: You would rather live with the devil you know than with the devil you do not know?

MR. THOMSON: I think the private stations in the main have been fairly well treated by the CBC. At least you are dealing with a known quantity and we do not know what will happen with the independent board.

COMMISSIONER TURCOTTE: Your remark reminds me of the words of Voltaire, "I prefer the rule of a good lion to that of 600 rats."

THE CHAIRMAN: Mr. deGrandpre's question was very close to mine but it was not quite.

MR. THOMSON: When you get over in Europe you look around and see it, the more you go through history you probably realize that some of the happiest people in the world have been people living under a good king.

COMMISSIONER TURCOTTE: Or the Queen.

THE CHAIRMAN: Well, the other question, and it is very close to this last one, is I do not know exactly that I can phrase it properly but there have been various suggestions made throughout our hearings that far from this being a sort of unhappy compromise that we have in Canada in radio



and television, it has been suggested to us in a number of places, that we may have once again achieved something distinctly Canadian in the mixture of private and public activity in the field of radio and broadcasting; we compromised in the sense that the British and American systems came into direct coalition and we had to settle and take something of each. But, we have once again worked out something of our own and perhaps it is something to be not ashamed of, it is something to be rather proud of but there does seem to be a great deal of turmoil in it, maybe more than in the usual case because this Commission is sitting and tends to bring out more violent statements. Have you any suggestions as to how to either make this system better understood or make it work better?

MR. THOMSON: Well, I would like to suggest, I think it is a little unfortunate that there is this bickering over the amount of money that should be made available to the CBC and/or to private radio to develop a Canadian way of life, to improve this system. We have a system that is working and I think it could be improved and I think probably what we should have is more Canadian shows, Canadian art, Canadian theatre because the Canadian theatre is probably going to have to lean on television. Over in Europe they have their band concerts in parks and places like that, you go to Italy, Germany or France and you see that and the state pays for it and the



people do not seem to mind. The state does pay for it either directly or indirectly. Let us have the starting point of Canadian culture in a Canadian way by presenting the Canadian scene on television. I do not mean a blank cheque but I feel that it should be definitely an obligation of the Canadian government representing the Canadian people to make sure, however they have to do it, that the best of the Canadian scene is presented to Canadians and also made so that it will be accepted and appreciated in other countries of the world.





That is the way I feel and I resent very much all of this talk about money and how it is to be done-- I consider it is a national obligation of the Dominion Government, to make sure that both is done.

THE CHAIRMAN: Is there anything you wish to add to deal with the other kind of bickering that seems to be going on between the C.B.C. and the private stations ?

MR. THOMSON: Well I don't think that there is very much that can be done about that. If you would like me to suggest something Mr. Fowler, I would like to say that all this bickering is very healthy and important in that is keeping both the C.B.C. and the private stations on their toes.

THE CHAIRMAN: We are very grateful to you Mr. Thomson, for coming today and for presenting your brief. There is one announcement I would like to make; at ten o'clock tomorrow morning we will begin a rather special hearing, which is public, and in which we are going to go into the question of what is called subscription television. We have 3 submissions I believe, and I have no idea as to how much technicality we will be going into, but this is one subject that has been raised a number of times and we have the opportunity to listen to 3 separate submissions tomorrow on the subscription programmes.

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HEARING ADJOURNED AT 6 p.m. TO BE  
RESUMED 10 a.m. on the 21st September  
1956.



ROYAL COMMISSION  
ON  
BROADCASTING

HEARINGS

HELD AT

OTTAWA, ONT.

SEPTEMBER 21, 1956

v.39



- 6682 -

THE COMMISSION ON BROADCASTING

Ottawa, Ontario,  
Friday,  
September 21, 1956

PRESENT:

MR. ROBERT M. FOWLER	Chairman
MR. EDMOND TURCOTTE	Commissioner
MR. JAMES STEWART	Commissioner

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MR. A. J. de GRANDPRE )	Counsel
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MR. PAUL PELLETIER	Secretary
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APPEARANCES:

ZENITH RADIO CORPORATION	6625
Mr. Pieter E. van Beek, Assistant to the President	
Mr. Greggar P. Slettland, Legal Department	
TRANS-CANADA TELEMETER LIMITED	6693
Mr. E.E.Fitzgibbons, President	
Mr. J.J.Fitzgibbons, President Famous Players Canadian Corporation	
Mr. Paul Porter, International Telemeter	
SKIATRON ELECTRONICS AND TELEVISION CORPORATION	6738
Mr. James M. Landis, Director and Special Counsel	
Mr. Arthur Levey, President	

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Ottawa, Ontario,  
Friday,  
September 21, 1956

---On resuming at 10.00 a.m.

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THE CHAIRMAN: Ladies and gentlemen, we can start now. Mr. Turcotte will be here in the course of the next very few minutes. He had an appointment which he said would hold him up and he said we were not to wait for him. He will join us when he can.

I would just like to say a word about the procedure that we are more or less forced to adopt today in terms of times of sitting, particularly. As you all know we suffered the very great loss of our chief technical adviser Mr. Cecil Browne, in a motor accident the night before last. His funeral is this afternoon at three o'clock and we naturally want to be there, and therefore we propose to sit rather a long while this morning, with a break or two perhaps during the morning, but going through, if you don't mind, until about one-thirty, and then we thought we would adjourn until about four o'clock and come back then and sit for as long as we need to sit to finish.

We do understand that a number of our friends from the United States, who are here to deal with a special matter, are anxious to get through tonight. We are quite willing to sit tomorrow if that would be more convenient, but it



may be better for us to try to finish today. I think that does mean we must keep our eyes on the clock a bit and try to keep the matter within some portion of division of our time that is available. I think from talks that I have had with several of those who are giving us information, it should not be too difficult provided we do keep our eyes on the clock and provided we don't ask you too many questions -- which is a great danger.

We have three statements to receive today, and we propose to take them in the order in which the indication of intent was given to us as to the desire to appear. This is a special hearing, really, different from those we have been having for the last three or four months. This deals with the one specific subject, and quite a new subject of what is called subscription television, and perhaps somebody will tell me that is not the final definition, but that is the subject we are anxious to get into. The first indication we had of a possibility we may get some help from this subject was from the Zenith Radio Corporation, and then we heard from Trans-Canada Telemeter Limited and Skiatron Electronics and Television Corporation. We propose to take the submissions in that order. I would only say to any one of the three who is presenting material to us that you should begin on the assumption, at least as far as I am concerned, that I know absolutely nothing about the matter you are dealing with. We are



not to critical people and these are technical matters, to some extent, but we are very grateful to these three corporations who are prepared to tell us something about the possibilities in this subscription television. I should say when we knew they were coming, we announced it publicly and we have given opportunities to others, not only in Canada, but in the United States to make submissions if they wished. As far as I know, these are all the submissions that have been indicated to us, and therefore our programme for today is the three that have been named.

ZENITH RADIO CORPORATION

Appearances:

Mr. Pieter E. van Beek,  
Assistant to the President

Mr. Greggar P. Slettland,  
Legal Department

- - - - -

THE CHAIRMAN: Mr. van Beek, I think we will start with you and I suggest that you and Mr. Slettland might take the seats here. We have no formalities in this hearing. We don't want to keep you off your course, but if for the sake of clarity we have some questions, do you mind if we interrupt you?

MR. van BEEK: That is not at all against my intentions, sir.

THE CHAIRMAN: Very well. You did





prepare a printed submission.

MR. van BEEK: That is right.

THE CHAIRMAN: And for the sake of tidiness, we will mark it as Exhibit No. 229.

EXHIBIT NO. 229: Printed submission on subscription television by Zenith Radio Corporation.

MR. SLETTLAND: Mr. Chairman, if I may take just a moment at the beginning: as you know, every lawyer's nightmare are these little gremlins that make typographical and other errors in printed briefs. I have spoken to your counsel, and he suggested it would be appropriate if I would point them out to you at the beginning, just as we would customarily do in the States. So, I would like to do that to make sure we have a correct record. We tried to be very careful in the citations, and so on, which we put in here, but there are, unfortunately, several mistakes.

Starting at the back, at page 36, paragraph 1, you will notice ---

THE CHAIRMAN: You have got us in the wrong country.

MR. SLETTLAND: Yes, "CBS" instead of "CBC" is unfortunately mentioned in two places.

THE CHAIRMAN: It should be "CBC" in both cases?

MR. SLETTLAND: Yes, Mr. Chairman.



On page 29 reference is made to the Massey Commission at the bottom of the page and this should refer to page 294. I might explain that when we originally came up here some weeks ago to obtain information, I was able to get one borrowed copy of the Massey Report, which I was asked to return promptly. We got the reference we needed but unfortunately the page numbers were lost, and by the time we could get additional copies from the Government printing office, with the setting of hearings three weeks ahead of what we had expected, we were not able to get these page references included. So therefore, on page 29 it should be page 294; and there is a reference on page 28 - a footnote at the bottom of the page, where there is a small typing error and it says June 953, which of course is 1953. On page 25 at the top is another reference to the Massey Report which should refer to page 273. On pages 19 and 20 we have rather lengthy quotations from the Massey Report, which conceivably could be misleading where it appears as a continuous quote, which is not the case. The delete marks have been left out between each of the paragraphs and furthermore, for some reason that I can't understand, the first three paragraphs got reversed in order. There should be deletes and the first paragraph that appears, beginning "and the demand" should cite page 36 of the Massey Report. The second paragraph should cite page 9 of the Massey Report, the third paragraph should cite page 5



of the Massey Report. Turning over to page 20, the full quoted paragraph there should refer to page 272 of the Massey Report. To the best of my knowledge, those are all the references that have crept into this.

THE CHAIRMAN : Have you anything further you wish to deal with at this stage, or will Mr. Van Beek take over now?

MR SLETTELAND: I should like to make one other point before turning over to Mr. Van Beek and that is, we have stayed away from any legal questions in this brief. In the first place we felt it was perhaps presumptuous of us to deal with Canadian Law and secondly, we did not feel that the important points from your standpoint were legal questions. We have attempted to cover only the merits of subscription television and stayed away from the legal points.

THE CHAIRMAN : I think you are perfectly right -- this is primarily a public matter and, in a sense, a political matter, in the broad sense, and not legal.

MR. SLETTELAND: That is right. For that reason Mr. Van Beek is our principal witness as an

MR. VAN BEEK : My name is Pieter Van Beek and I am assistant to the president of Zenith Radio Corporation, - and our company is primarily concerned with the manufacture of sets and hearing aids and we have averaged about \$150,000,000 in the past three years. I would like to say Mr. Chairman, that we are very grateful





to be here today, and I would like you to know that we are appearing before you in a sincere effort to be of assistance to your commission, in finding a solution to this problem we are investigating.

I would also like to mention that my own personal interest in subscription television is by no means confined to my present employment. As a matter of fact, when I came out of the army about nine years ago I began, and I have spent all the time since, in an effort to encourage the development of and to promote the use of subscription broadcasts by the public -- not only here in the United States, but I did so also in Europe before coming to America.

It just happens that this is an idea which I have always believed had a very great future. I can say that I would yield to no one my belief that it is very manageable and it will be a reality - a commercial reality - in the United States, before too long.

In this connection it may be of some interest to you, Mr. Chairman, if I make mention of the fact that about ten years ago the Chairman of the Federal Communications Commission announced that within thirty to sixty days, the commission would begin action and it would eventually lead to a decision on the question of subscription television in the United States. I thought that that might



be of some interest to you.

THE CHAIRMAN: He didn't say which way the decision would go ?

MR. VAN BEEK : No - and I am quite sure that if he know that, he would not be talking about it Mr. Chairman.

MR. SLETTELAND : According to the press he announced that he personally was in favour of approving a limited operation.

MR. VAN BEEK : Now before presenting the case of subscription television to you, gentlemen, I would like to, in the form of an introduction or providing the background to my presentation, read just a few pages of our brief, and I propose to turn to page 3 - chapter 2 - where the heading is "Economic History of Broadcasting".

"Before considering the specific economic and cultural problems of Canadian broadcasting, it is essential to understand how and why the present economic pattern of broadcasting has developed throughout the world.

In contrast with other forms of human endeavour, broadcasting has a unique economic history.

It has the distinction of being possibly the only service of economic value which was not made initially available to the public through the usual processes of the market place.

It is reasonable, in retrospect, to assume that the public would have been prepared to pay for it."



THE CHAIRMAN: I don't want to interrupt you Mr. Van Beek, as you go along, but the occasional comment might help you later in your presentation --

MR. VAN BEEK: Of course, Mr. Chairman.

THE CHAIRMAN: Your sentence here - "It has the distinction of being possibly the only service of economic value which was not made initially available to the public through the usual processes of the market place".

MR. VAN BEEK: Yes.

THE CHAIRMAN: It occurs to me that though that might be quite a proper statement applicable to the U.S., I think it would be debatable in Canada. I can think of one case, for example, in railroads which is a problem we have had - and which is a service of economic value which couldn't be handled by the ordinary processes of the market place. We have had to have governmental plus private intervention. We have had the same experience in connection with air transportation where we have a national system and, without it, in all probability we wouldn't have an airline in Canada. More recently we are faced, as you may have read, with the problem in connection with the gas pipeline.

MR. VAN BEEK: Yes, I am familiar with that.

THE CHAIRMAN: That involves something more than the mere "usual processes of the market place". I am just putting to you the basic point that we in Canada, with 16 million people, are trying to make the





country spread across 4,000 miles, and we have some rather special economic features which are not of general application.

MR. VAN BEEK :        Mr. Chairman, if I may answer that question - on this particular point I am afraid we haven't made ourselves very clear when we speak of the usual processes of the market place.        We mean by that the service to make the service or product available to the public, and it doesn't make any difference who is making it available, but making it available on the basis where the public is charged for the product on the basis of his personal consumption of the product.

THE CHAIRMAN:    Yes -- I see.

MR. VAN BEEK -    You see what I mean ?

THE CHAIRMAN:    Yes.    It is a narrower point than it sounds - as you were just reading it.

MR. VAN BEEK -    Precisely. I will continue to read from the same page ---

"In the first place, in the early days of broadcasting, no technical means were known for charging and collecting from the listener on a use basis.        This fact, more than any other accounts for broadcasting's unique economic character in all countries.

Secondly, in many countries government ownership or subsidization were undertaken for the reason,



among others, that there was no other apparent means of supporting this important new media of mass communication. This in turn eliminated much of the incentive private enterprise might otherwise have had to develop other means of economic support.

Thirdly, in the United States where government interest was limited to regulatory responsibilities, private enterprise developed the concept of advertising subsidization of broadcasting. The objectionable features of advertising have come to be accepted in the U.S. as preferable to government subsidization, and broadcasting has made great progress considering the inherent limitations of this single means of economic support.

But suppose broadcast service in its early days could have been made available to the public on a user basis just as theatre or motion picture entertainment, telephone service, railroad transportation or electric power were made available? In such event, as with the services just mentioned, a charge upon the user of broadcast service might well have been preferred to government or advertising subsidies. The political argument that the government or advertising sponsored broadcasting is "free" of course disregards the facts (a) that the cost is hidden either in



taxes or in the price of the products advertised, and (b) that one pays this cost regardless of having watched the particular broadcast or even owning a receiver.

Governments have never hesitated to charge their citizens, on an individual basis and according to the amount of personal consumption, for products and services other than broadcasting which are produced under government control. But the adoption of receiver license fees has been the only historically significant step in the direction of charging the user for broadcasting service. Such fees have an advantage over subsidies derived from advertising or general taxes, etc. in that payment of broadcast costs are limited to persons owning broadcast receivers. But such fees are inequitable as to those set owners who use their sets less than other users. Manifestly, the only truly equitable basis is to charge a fee for each program received.

Had the means been available to charge users of broadcast services on a per-program basis, this media of mass communication might well have developed on a similar basis as the printed media in Canada and elsewhere. For example, Canadian newspapers and other periodicals typically derive 27% of their revenues from sales and 73 % from advertising (p.129, Canada 1956, Dominion Bureau of Statistics). These dual sources of revenue have permitted newspapers to exist in many





small communities, where they could not have survived on advertising alone.

Had the means been available to charge users of broadcast service on a per-program basis, broadcasting could have developed in the same manner as the theater, the motion picture industry, the opera, concerts and the other arts. Even if fees had been charged for broadcast programs, government could always have required, through appropriate regulation, that essential educational and public service programs be broadcast without charge to the recipient.

Nevertheless, in Canada and elsewhere, broadcasting developed a different economic pattern than the arts and the other media of mass communication. By force of tradition and practice, the limited resources of advertising sponsorship, government support or a combination of both are now too often accepted as the only means of economic support. In fact, when broadcasting problems arise, solutions are usually sought within this framework and little exploration is attempted beyond its confines.

As an inevitable result, broadcasting's development followed no natural or logical law but became stunted. On the one hand, it was degraded into subservience to the advertising industry where broadcasting was not judged in terms of its ability to offer cultural enjoyment, but in



terms of its ability to sell soap, automobiles, etc. Or, on the other hand, it became the foster child of government, where, although the emphasis could be placed on broadcasting's cultural merits, its growth was impeded by the constant lack of financial resources.

It is our firm conviction that as long as broadcasting has to continue on either basis, it will never be able to realize its full potential. There does not seem to be any choice but to take a different approach to the economic and cultural problems of broadcasting. Subscription television, a technical development which has been unavoidably late in appearing on the broadcasting scene, seems to offer a most realistic solution to the present problems of Canadian broadcasting."



Mr. Chairman, with that as a background I would like to project my presentation that will be summarized through this brief." I would like to devote just a few words to the financial problem of Canadian broadcasting, and I want to say I am quite sure that others who have appeared before you have told you more about it than I can and in more detail than I can.

THE CHAIRMAN: It is not one of the subjects in our Reference that we have had too much evidence on.

MR. van BEEK: What I would like to say is that even in the United States we have not said we have operated television broadcasting successfully, at least, not in terms of financial results. It might interest you to know that according to the statistics issued by the Federal Publications Commission at the end of 1955, when we had substantially more than four hundred stations on the air, 42 per cent of them were losing money. I can assure you from my own knowledge of broadcasting in the United States that this is not a temporary problem; it is a serious problem that many of us believe will continue to exist.

Now, I might make this remark because I am going to make a few comparisons with the United States and I do not want you to think I am comparing your situation that you are not happy about with the situation in the States that we are happy about; we are not happy about it, but I want you to have my perspective on it. It





is my impression from talking to persons in this country that generally speaking the private stations are not happy about their financial results, and consequently it seems that the deficit that broadcasting in this country is faced with is with the CBC.

THE CHAIRMAN: I think that is the way it is. At the moment we are making careful studies of both the financial position of the CBC and the private broadcasting industry in Canada, and we have not yet had that submitted to us and are, therefore, not as fully up-to-date with it as we hope to be. I think your general statement on the evidence that we have had so far is correct; speaking generally, private stations are operating at a financial profit in Canada, that a relatively few stations, and the CBC, as we all know, is having financial problems.

MR. van BEEK: Well, when you look at that deficit you can also look at it in a different way than is usually done. I would like to look at it in terms of operating cost per receiver and I would like to take that figure and see how it stacks up as compared with a similar figure in the United States. Now, the operating cost can be broken down into two elements; the first one I can call distribution of cost, and when I speak of the cost of distributing broadcast service I include station time, I include the cost of bringing those programmes to the stations, so that there is your network cost, and I think



it is very illuminating when we realize that here in this country, where you have slightly more than two million sets, that you need certain stations to reach those two million sets. In the United States we can reach twice as many sets in one city on one station, or an identical number of sets in the cities of Los Angeles and Chicago. The point I am making here is that broadcasters in the United States who had this very advantageous position in respect to this distribution of costs, if they are having trouble to break even, that you have to expect it with another system that does not have any more than two million sets. You have to expect that it would not do very much better.

Now, the second cost element that has always intrigued me is the production cost. In order to draft this particular point to you I would like to refer to our own experience here, and it happens that Zenith is co-sponsoring this fall the college football games, and we are rather intimately acquainted with the details of the programming. The projected cost of the programme is \$1,300,000; I am not sure of how many broadcasts are involved, but I think it is nine.

THE CHAIRMAN: That is over \$100,000 a broadcast.

MR. van BEEK: It comes very close to that.

THE CHAIRMAN: About \$150,000 a broadcast.

MR. SLETTLAND: This is only half the



cost; the distribution cost is another \$1,300,000.

MR. van BEEK: NBC is carrying this programme for us and we will get ninety per cent coverage, which means the programme will reach approximately 35,000,000 homes. On that basis the cost to us is about four cents per set. Now, if you take those figures, and it does not make any difference if you are talking about football or any other television programme, you have a similar cost, so let us assume we have a similar cost, that we are broadcasting in this country rather than in the United States and you will find when you make the calculation that I made, the cost, instead of being four cents, comes to 68 cents per set.

The point I am trying to make, Mr. Chairman, is that also in terms of production costs there seems to be a great inequality between the two systems, and again we are emphasizing the fact that it is not surprising, at least not to me, that the CBC are having a very difficult time; it must have a difficult time if we are, when we are in a much more advantageous position.

Now, to continue this, I would like to ask, can we expect that the future will make a material change? In other words, can the CBC expect that in the years to come this cost picture, this excessively high cost per cent which the CBC has to face when they operate their system, will there be any substantial change in that? Now, I may not be very good at gazing into a crystal ball, but I feel that I can try





and visualize what the future might hold. Again, as I said, in introduction to that, I would like to say that advertising expenses, not only in this country but practically all over the world, are expressed in percentage to the national income or percentage to the national expenditures for goods and services, and that particular figure here is about  $2\frac{1}{2}$  per cent; I think it is slightly higher in the United States, but not too much.

THE CHAIRMAN: I would have thought it quite substantially higher, but I may be wrong.

MR. van BEEK: The difficulty is that in Canada you base it upon your national expenditure for goods and services but in the States you base it upon national income, and that is the difference.

THE CHAIRMAN: The figure that is in my mind is something in the order of 5 per cent in the United States.

MR. SLETTLAND: I might add to that, I believe over the last twenty-five years it has ranged between two and four per cent in the United States.

COMMISSIONER STEWART: That is of the gross national profit?

MR. SLETTLAND: Of national income; I believe it would vary slightly from gross national profit.

MR. van BEEK: Now, I might add that a company which advertises feels rather strongly about this thing. I know from my own experience, we spend quite a few millions every year on



various types of advertising, and I can assure you that the treasurer of our company has some very fixed ideas about it, and if the advertising department spends three per cent we would say the odds are it will stay where it was. So I would say, generally speaking, it is rather unrealistic to assume that the technique and philosophy of advertising within the next few years would change to the extent of spending ten per cent of national income on advertising. I do not believe that as far as CBC is concerned that that might cause any change in the next few years.

THE CHAIRMAN: Before you leave advertising, is there not one other factor which is a possible source of change, not only the percentage that you have been discussing of advertising but the question of distribution of that advertising in the various media? Have you any ideas or views at all as to that?

MR. van BEEK: Well, I do know this, that in the United States it has settled down to a particular percentage, I believe around eight or nine per cent.

MR. SLETTLAND: The figures in the United States, I believe, were a little over eleven per cent going to television on the total advertising budget; we were informed by CBS it was eleven per cent of the Canadian budget for 1955, so there is not much difference. It has been growing and we feel it will continue to grow, but your guess is as good as ours.



THE CHAIRMAN: It was really a question directed to what can only be your estimate or guess at the thing, as to whether or not the novelty impact of television in the United States has perhaps worn off a bit and is settling down to something which you might think of as a reasonable splitting of the advertising dollar.

MR. van BEEK: I would say we may have reached that point. I was remembering here in general the different advertising media, and to the extent that television is able to offer the advertiser a better deal, it will be able to increase its relative share, but I can assure you that newspapers and magazines and radio stations are not too happy.

THE CHAIRMAN: I have heard of this before.

MR. van BEEK: I rather doubt whether television will ever get all the advertising; it could increase, but there is a lot of trouble doing so.

Speaking now in terms of increasing the number of stations that can be hooked up with the CBC network, I am talking now about new markets where there is no television at all today; we studied that as well as we could and we found out one very interesting thing. If you make a list of all the channels that have been allocated in Canada and you break them down in terms of their population, you will find that all markets which had channels and which had a population of over





fifty thousand people, according to the census, that they all have one station on the air. So, consequently, whatever explanation there is in the years to come, in that group of cities which presently have less than fifty thousand population, if you study that you will find that even though that is a very interesting market, most of them are in the Province of Ontario, they have service from neighbouring cities. If you go further down and study the 25,000 population, and this may derive from the fact that it may be impossible to operate a station in such a small community, you will find a few stations that you have on the air in the future marked for the greatest population get the best markets. I would say that at least theoretically here extension for the CBC in terms of adding affiliates to the present system cannot be expected in any area where you have a large population and where large numbers of sets can be sold, where the CBC can expect large numbers of people listening to their service.

I might add something to it, and that is, when you take the thirty-five markets that you have, or which you are about to have, I believe there is one station going on the air in October, and you find the average number of sets in each of them is about 60,000, it seems logical that if you add markets to it you will never have that many, you may never have 20,000 or 30,000 or less than that with any promise of distribution because the additional markets will bring up the



average cost for all sets that you have so it may not be much of a gain even if you add them. I know that some people will say that especially from the possibilities of opening new markets there is a possibility of intensifying the markets that have television in the cities where we have television today. When we looked at the figures here, we found that 70 per cent of the people in Canada who were receiving from a television transmitter have a set, and this does not mean that you still have a potential 30 per cent left. In the United States the figure may go as high as 75 per cent, and then you ---



THE CHAIRMAN: I was anxious to get the American experience in this as to what was relative coverage in the United States as compared to our relative coverage in Canada in terms of sets in homes.

MR. vanBEEK: The exact figures appear on page 11 of the brief. In February of this year the U.S. Census reported 73 per cent of U.S. have sets.

THE CHAIRMAN: What is your geographical coverage at the moment?

MR. vanBEEK: The figures are not too accurate. The networks claim for the year about 98 per cent coverage. Whether that is actually so or not, I don't know.

THE CHAIRMAN: That is 98 per cent of all the homes in the United States --

COMMISSIONER TURCOTTE: Are in range of a signal.

THE CHAIRMAN: From a population point of view.

MR. vanBEEK: Our figures, as we can estimate it now, run slightly above 80 per cent which is slightly more than the 73 per cent figures of the total number of homes of the United States, which are now equipped with television sets.

MR. SLETTLAND: But since almost all of those homes are within the range of a station it comes very close to a total saturation figure.

MR. vanBEEK: To continue, Mr. Chairman, one other suggestion that I have heard mentioned in respect to what the future may hold in store for the CBC in terms of improved coverage, is the matter of adding a second station to its





present one station. The less I say about it the better but I would like to say this. When you add the second station, the first thing you do is duplicate your costs and it doesn't make much difference whether it is operated by private ownership or by the government. In addition to which, you have to compete for the artists. I seem to remember some instances in the United States where one station had a market all to itself for a long time and finally a second station came on the air and the result of the competition was, very often, the lowering of the rates so it is rather indicative as to what precisely may happen when you start adding stations..

THE CHAIRMAN: Just on that question of a second station, I don't want to press you because I know you are only looking at it as a friendly outsider rather than a person who is in touch with it here but if you are going to have second stations in Toronto, Montreal, etc., they are going to be CBC stations or private stations. If they are CBC stations there will be necessarily, a duplication or a partial duplication of costs for the programmes. If it is private stations, then, if you are right the total advertising pool is more or less fixed and the percentage going to television, I think lies on the threshold and to the extent that a new private station dips out of that pool will leave that much less for the existing system. Is that fair -- with one exception, we had some evidence of a certain amount of revenue going to a United



States' station which, I suppose, could be an off-setting factor.

MR. van BEEK: That might be.

COMMISSIONER STEWART: On the other hand, an advertising agency that came before us in Toronto mentioned in particular there was sufficient advertising revenue left, I think they said at least in Montreal and Toronto, to provide a revenue for a second station.

MR. SLETTLAND: If the CBC operates the second station it certainly cannot help the CBC in that it will duplicate costs without increasing operations and if it is a private station it cannot help the CBC either. Whether the private station is successful or not, the CBC is no better off and maybe worse off in that they have to compete for audience and for advertising.

COMMISSIONER STEWART: And that is one point I was going to ask you about -- and for talent?

MR. van BEEK: And for talent.

COMMISSIONER STEWART: Would the cost of the programme go up by reason of the fact of competition for talent? I think that is the case in England.

MR. van BEEK: That might happen but it is conjecturable. But without that factor I don't see how the CBC can be helped whether or not a second station goes into the market.

The last point I am going to touch upon



here, again theoretically, the CBC could increase its revenue if it wants to rely on American networks, and all I want to say on this, it is my impression through talks to a great many people, in many places, Canadians are concerned. They want Canadian television in the first place and, apparently, there is a trend towards self-reliance rather than on dependence on American networks furnishing the programme. I would like to make this particular conclusion at this point. That is, as far as advertising revenue is concerned, which is what we are talking about most of the time, it is not logical or realistic to assume advertising, as such, has the ability to solve the problem to the extent that it has to be solved. I am quite sure from what I have seen the CBC has attracted as much revenue as it can within the framework. Unless the CBC could put on programmes different than what is put on that might prove more attractive to advertisers. In that respect it seems that the CBC is attracting all the revenue it can. That being the case, I can express sympathy. If you cannot rely upon advertising the only alternative is the government.

In view of these facts, I believe that subscription television as a concept has considerable impact because it gives another alternative and not an alternative in the sense it has to be placed against the others. It can be used in addition to it. It might be good to quote





from the Massey Report on this very point.

"'We see no solution to the financial problem of the CBC except in additional support from public funds. Some witnesses have even proposed that because all Canadians benefit from the national radio system directly or indirectly, the license fee be abolished and the entire cost be borne by the taxpayer. This proposal we cannot accept, since we think it proper for the listener to make a direct payment for services received and we believe that he appreciates these services the more for doing so.'

This statement was of course directed toward receiver license fees instead of subscription television. However, no clearer endorsement of the principle of subscription television could be made.

Receiver license fees of course constitute an imperfect form of 'pay-as-you-see' TV. Subscription television is merely a more refined and more equitable form of 'pay-as-you-see' television. Either of them can be used with or without the other, and both of them can be used to supplement revenues derived from advertising and government subsidy.



"It was recently stated in the House of Commons that funds required to finance the CBC might be the equivalent of a \$15 receiver license fee. On the basis of 2.1 million sets-in-use, it is apparent that CBC believes that it annually needs some \$30 million over and above its advertising revenues. We are in no position to analyze CBC's needs, nor can we say that the use of subscription television in Canada will provide annual supplemental revenues of \$30 million or more. However, we do believe that subscription television has the potential of producing that amount. By way of a simple example, if the 2.1 million Canadian set owners are each willing to pay \$15 per year for the privilege of watching what is now available on television, it is likely that these set-owners would, on the average, pay at least that much each year in per programme fees to see select programmes of their own choosing.

To predict accurately the potential of subscription television is of course not possible at the present time, because it is a new service which has never been operated on an unrestricted commercial scale. Nevertheless, there are two measures which can be applied to give some indication of its market potential: (a) by examining



"the only commercial test of subscription television which has ever been made, and (b) by examining the size of the large and growing Canadian recreation market of which it would become a part. These will be considered in turn.

The only market test subscription television has ever had was conducted by Zenith in Chicago, Illinois, for 3 months during 1951. It was conducted under authorization of the U.S. Federal Communications Commission, and was designed solely for the purpose of ascertaining public acceptance of the service."

I am making reference to this quotation because I think it is rather significant in that it is the result of that Commission and also because it refers to a license fee. As far as the license fee is concerned it is a form of pay-as-you-see television. It is as close as you can get to it.

THE CHAIRMAN: You know, while this was the opinion of the Massey Commission it did not turn out to be the opinion of the Canadian government.

MR. van BEEK: I realize that. The point I want to make is that subscription television is the next logical step. It is more refined and





doesn't have the inadequacies you find in a license fee. It is my understanding, as far as the CBC is concerned, based on a statement made in the House of Commons recently, it will be necessary to impose a fee of \$15 a year. Here again, CBC or parliament is the best judge of CBC needs. But if the people in this country feel the government can go to the public and collect \$15 a year then I am very much afraid, if you would give the public the alternative and suggest to them they pay that amount in the form of subscription programme they would not only pay that \$15 but, I am persuaded, they will pay much more than that. I am convinced the public will spend substantially much more than that.



I would like to go a little slower, Mr. Chairman, but I see my time is running out. Subscription television presents a new idea, and there is no evidence resulting from a long-term commercial operation that I can submit to you. However, we have done what we could, and we have carried out a commercial test and simulated as much as we could ordinary commercial conditions in Chicago a few years ago. The test was conducted under the auspices of the National Opinion Research Centre of the University of Chicago, and the results should therefore be conservative and realistic. We spent \$900,000 on that test in three months. I would say, that is the only yardstick that I can apply to measuring its potential, and to give you some idea as to what happened on that test I would like to read from the brief just a few paragraphs which give you the results of it. This is page 14, point No. 1, under "A":

"At the time the test was conducted, the subscription television programmes were in competition with four other Chicago television stations carrying all the programmes of the CBS, NBC, ABC and DuMont national TV networks.

Subscription programmes were limited to Hollywood feature films. First-run features were not made available. All the films were at least two



"years old and some more than ten years, and all of them had completed full theatre runs in Chicago. However, the 90 films used were all of outstanding entertainment value as compared to the old movies shown by other stations under advertising sponsorship.

Each of the 300 test families had its daily choice of three feature motion pictures, scheduled at three different periods of the late afternoon and evening, at a charge of \$1 per picture. The box-office averaged \$22.50 per family for the three month period, or \$1.73 per week.

The attendance rate per family was more than three times the .47 times per week the average U.S. family attended movie theatres during that year.

Attendance leveled off after the first few weeks and fluctuated in accordance with the popularity of the picture presentations and the competitive programmes viewable without charge on other stations.

Early in the test the audience became more selective of the entertainment purchased, a trend which became more pronounced as the test progressed. On the average, all pictures were seen by 25 per cent of the potential audience, but various pictures





"ranged from 60 per cent of the possible audience for the picture which had its first showing on New Year's Day down to 8 per cent for the picture which was 'knocked out' by an important boxing match on 'free' television. Excluding these two abnormal extremes, patronage of individual pictures ranged from 9 per cent to 47 per cent of the possible audience.

The regular pattern of exhibition provided for only three showings of a picture, which are probably not enough to develop a picture's full potential. As a partial check on this point, one picture was shown four times. On its three regular showings it was patronized by 31 per cent of the possible audience. On its fourth showing, a Saturday matinee, it drew an additional 6 per cent of the possible audience, a figure which was exceeded by only two other Saturday matinees during the entire test.

Only 18 per cent of the families viewing these pictures on subscription television had previously seen them in the theatres. In other words, four patrons out of five were brand-new customers.



"More than 92 per cent of those reporting said they preferred to see such pictures in their homes rather than in the theatres."

Mr. Chairman, we reached this conclusion when we got through the test, and, as I said before, we are satisfied that the test was conducted as well as it could ever be conducted, and I came to the conclusion that we have made. The test was successful and, if I am asked why, I shall give these reasons: we did something that the entertainment industry could not match. We were able to offer something at the utmost convenience: in other words, right in their own living room -- it could not be more convenient than that. Also, we were offering entertainment much more inexpensively than people were used to when they go out to the theatre because, first of all, the charge we made was only for a family basis -- not a person basis; even if it is a dollar it is for four or five people and as many guests as they wish to invite. Also, normally, you have an awful lot of miscellaneous expenses which add considerably to the expense of the admission fee, and we eliminated that. Incidentally, Mr. Chairman, here is a report on that test, and I would like to submit it to you. It has never been published, and I am submitting it to you confidentially. The only people who have copies of it are the members of the Federal Communications Commission.



THE CHAIRMAN: I would like to have it. I suggest that we do not mark it as an exhibit, but we will have it in our files.

MR. vanBEEK: Thank you very much. The result of the test was, in terms of potential revenue which can be expected, as I have suggested, and you will find we refer to it in the report, and that is, that a conservative estimate is about, \$45 a year per family. This is based on a test which used only motion picture entertainment. We could not get anything else at that time. As to the question of whether you can do a similar thing with the Canadian public, all I can say is, you will never know until you try, except that you may find some indication in the relative popularity of motion picture entertainment in Canada as compared to the Chicago area or to the United States. We took a look at recreation figures here in Canada and we found the average Canadian family in 1954 spent \$29 a year for motion picture entertainment. In the United States the figure is \$26 -- lower than here. If the popularity of motion picture entertainment in Canada means anything at all, and they compare that popularity with the popularity in the States, then I think there is some reason for assuming that if we had conducted a similar test, using motion picture entertainment, in Canada, we may have the same results. Assuming this is true, the question remains is the Canadian public in a position where it can afford that, and I can say, Mr. Chairman, that I had a rather interesting time





going through all this, because I learned more about Canada writing this brief than I learned in visiting it many times. I found out the average family had an annual recreation budget of \$157 in 1953, and that did not include more than \$30 for reading, and magazines and books, and, -- and maybe I should not say this -- it did not include \$150 for smoking and alcoholic beverages.

THE CHAIRMAN: Well, that, you don't regard as entertainment.

MR. vanBEEK: What this means to me is that the Canadians are obviously entertainment minded and there is a demand for it and they like to spend money on it, and this is, of course, the type of market that subscription is catering to. The least you can say of subscription television is that from the point of view of time it could not be timed better; I am speaking of economic timing, because here we have a situation where you go into a very fast growing country, and also the people are having more leisure time every day. They are becoming more entertainment minded every day; it makes the consumption of entertainment much more than it has ever been and much less costly. So, in terms of getting the right time, we certainly have.

To go on, Mr. Chairman: aside from the fact that we believe that subscription television can make a contribution in terms of opening up a new source of revenue, I would



like to say this, that one of the most interesting things of subscription television is that it can only make a financial contribution if it offers superior programmes. Unless it does that, I don't believe it can ever succeed commercially. We will come to that point in a minute, but before doing that I would like again to refer to a quotation from the Massey Report at page 20, where it says:

"It seems to us that two things are essential to restore in Canada the balance between the attention we pay to material achievements and to the other less tangible but more enduring parts of our civilization. The first must be of course the will of our people to enrich and to quicken their cultural and intellectual life; our inquiry has made clear that this will is earnest and widespread among our fellow citizens. The second essential is money. If we in Canada are to have a more plentiful and better cultural fare, we must pay for it."

I would like to say this in respect of that quote: I tried to take from the report, if that is a true implication of those remarks, that if one is prepared to pay for better cultural fare or cultural fare in general, one has the right to expect something better. A lot of it



is given away, more or less, free -- like on television -- and it is the interesting aspect of subscription television that it does get that superior programming and it asks you to pay for it. I can put it differently, Mr. Chairman: suppose we were to try to take the I Love Lucy show and put it on the air on a subscription basis, I am absolutely convinced that there is no better way to wreck subscription television as an enterprise than to do that. I can't say I can sell to one side of the street something that another fellow on the other side of the street is giving away. That is not logic. So, consequently, if we want to be in business and be successful with subscription television at all, we have no choice but to offer superior programmes, and unless we do, I do not believe subscription television can succeed.

THE CHAIRMAN: Is it necessarily "superior"? It might be more popular. Let us take an example: we have a football classic in this country called the Grey Cup every year. I have no doubt if you put the Grey Cup on subscription television when you had it operating that you would get virtually every set in Canada turned on.

COMMISSIONER STEWART: Even if Ed Sullivan was on at the same time.

THE CHAIRMAN: And I, for one, would be one of the sets -- though this is not any value judgment at all -- but it is because of its popularity rather than its superiority that it goes on. I think we ought to have that programme on television fare,





but in order to make this subscription television work I think you said you have to attract people to put money in the slot, so to speak. Does that mean you will have to be selecting programmes primarily from the standpoint of their popular appeal.

MR. vanBEEK: Well, to some extent, yes, but, you see, the trouble is that that is also the basis on which advertising selection goes.

THE CHAIRMAN: Oh, of course.

MR. vanBEEK: That is their basis.

THE CHAIRMAN: I don't think there is any doubt about that.

MR. vanBEEK: If I am going to use exactly the same yardstick -- and that will be the only yardstick that will apply to the entertainment I want to provide -- I am afraid I am going to end up by offering exactly the same entertainment, and I could not, under those circumstances, expect anybody would pay for it. I pay for a show that has great public appeal but which, in essence, is not the same as, say, the Ed Sullivan show, and I should not pay for it when I can turn the dial and find the same kind of entertainment on another channel without paying for it. I would like to put it this way, Mr. Chairman: when we talk about subscription television entertainment, I am talking about entertainment that the public still today is willing to pay for which they do not find on television, but which they do find outside their homes, and which is only available to them outside



their homes when they pay for it in the form of admission tickets.

THE CHAIRMAN: Are you really saying, in dealing with the entertainment function in television which is now, to a considerable extent, supplied by the advertising sponsored programmes, that you can only enter the field with those advertising programmes there already by offering superior entertainment?

MR. vanBEEK: If I understand your question correctly, Mr. Chairman, I believe that is true.

THE CHAIRMAN: The point I was coming to is this: the function that subscription television may perform would be mainly in the entertainment field and would not particularly have an opportunity or a place for what are described to us as the minority type of programmes such as panel discussion on the Suez Canal crisis, Farm Forum, which we have had a lot of, very fine musical performances, and so forth, because by their nature those are minority audiences?

MR. vanBEEK: I agree with you on that Mr. Chairman.

MR. SLETTLAND: Mr. Chairman, I was just looking through our presentation, and I think later we cover this point of minority audience, because it is an important point, and it goes beyond the mere entertainment question that you are discussing now.



THE CHAIRMAN: Very well, we will come to that.

MR. van BEEK: I believe, Mr. Chairman -- and I have reason to know about it, because we follow the same philosophy -- there is a limit to the amount that an advertiser is going to spend on television, and it might interest you to have that information which we found in a magazine called Sponsor which is an advertising magazine, and it stated last year that the cost to the advertiser to reach 1,000 homes with a half-hour television programme at night time to be \$10.51; that is, on the networks, and that is about as far as an advertiser will go. When you compute that figure you will find it is a very realistic figure and it bears out some of the expenditures that have been suggested. I may add here that when I say "per thousand homes" it means per thousand homes actually viewing the programme, so also what enters into this calculation is the percentage of sets viewing the programme -- I assume 50 per cent of the sets viewing it, which is a very high rating which very few programmes enjoy. If you assume that, and take a one-hour programme under those conditions, the advertisers will spend about \$400,000 for that programme and that has occasionally been spent, so it is indeed a limiting thing when I say \$10.51 per thousand homes per half-hour night time programme, and that is a realistic figure and you very often do not have advertisers going beyond that point. When you look at the amounts that,





apparently, advertisers are willing to spend in terms by which you can buy business -- of course you don't buy very much business -- we all know that the equity in a motion picture is well over \$1 million, and then your production costs, and which does not include your profit which a producer is entitled to make. You may have read in the paper recently about the production of the film War and Peace, which cost nearly \$6 million. The point I am making -- and I am making it rather quickly, and I am afraid I have to make my points rather quickly from this point on -- is that there doesn't seem to be much question about it as to whether an advertiser can go to Hollywood and say, "Here is \$200 and I want to make a film on a one-shot television programme". He doesn't have that ability. I know we have had first promotion pictures in the States from England, such as Sir Alexander Korda's The Constant Husband and Richard III.



Our organization in the States has tried to keep an awful lot on at night time by saying "we can't operate without a good audience" but they didn't say that Sir Alexander **was** not looking to re-coup his original investment in these two films.       What he was trying to do - and he has accomplished this very well - he was trying to get through television in the States more than he could expect from the theaters in the U. S. for those films, and he accomplished that.

The Wall Street Journal got into the act and it might interest you to know what they said -- I am quoting from our brief at page 22:-

"First, the NBC network got it (Richard 111) from its British producer for \$500,000 - not \$2 million or \$5 million - and charged sponsoring General Motors even less, hoping to help pay for it through some further theatre-showing rights that NBC got in the deal.       Second, sponsors as affluent as G. M. are not too numerous."

There is where I would say the answer to this question rather lies.       Now what is the truth in respect to the motion picture entertainment and in respect to advertising inability to purchase that entertainment for sponsorship purposes, is also the truth for other forms of entertainment, and rather than take your time now, I would like to say that we have discussed that rather explicitly and you



will find various examples in our brief.

Here again though, I will try to save some time by skipping a few points which I have written down. However I would like to say, Mr.Chairman, that while the advertising sponsorship is not capable of securing programme content, we are confident that we can. That it is only a matter of time, and we have quoted a number of very outstanding producers in different fields of entertainment production who have stated their willingness to co-operate. I would like to quote just one such statement made in June of this year by a gentleman by the name of Mr. William Dozier of RKO, one of the major producers in Hollywood and this is his story :

"Instead of being depressed by the current drop off in motion picture business, Mr.Dozier says that in five or ten years he foresees a tremendous increase in production; 'within a decade the entire motion picture business as we know it will be devoted to producing pictures for the pay-as-you-see television' he said. 'The whole pattern of television will change. There will still be the Ed Sullivans and special events shows but a sponsor can't buy the kind of entertainment we can produce. The big advantage of pay television is that the sponsor is the public and not the rating business. Once this





revolution occurs in viewer habits, there will be more movies made than ever before. This is the big thing the motion picture business has to look forward to.' "

I happen to know, Mr. Chairman, that Mr. Dozier is not an exception. I have met many people of his calibre and reputation in the industry although not all of them had the courage to say publically what he did.

One or two remarks I would like to make in connection with types of programmes that are rather unusual follow here - and I would like to devote a few minutes to what I call educational television. We all know that educational television is an important step. We are living in a rather complicated age and it seems that the amount of information that we as individuals need every day, to keep up with what is going on around us, seems to indicate a greater availability of information than we are used to. Now we are probably very fortunate in that we have television as a media through which people can learn more quickly and so on, than many other people have been able to do, but when you talk to educators about bringing general educational or special educational programmes before the public, that is to say, the people in their homes, there is always the problem of cost, firstly, and secondly the problem of actual contact with the teacher - not being in touch with their pupil at all; there is



no personal contact whatsoever through television.

We can correct that to a very large extent, and one of the interesting things about subscription television is that by actually charging a student for what you provide, you can give him a university training in various subjects and this applies to all people within the range of a television transmitter.

Now to dramatize this a little bit, I would like to give you an example in producing as you have it in Canada and we have it in the United States. This example is the country doctor, who has quite a territory to cover and he doesn't have too much time and there are certainly not enough doctors to begin with. He has a problem of keeping up with what is going on in his own science. In the nearest town there may be a college where he can get some post-graduate training, but you can imagine what would happen if you could reach that country doctor at certain times during the week - maybe early morning or late at night - and present to him, and only to him, not to the members of the general public, a programme that can originate from the best medical school in Canada. He will see at home a programme perhaps about the use of a new drug or medicine and he gets that in his home and keeps completely up-to-date with what



is going on in the world, through television. You can provide him with this service in such a manner that it cannot be seen in any shape or form by the general public. It will be definitely just for him and for no one else.

I am coming now to this minority audience subject Mr. Chairman. I would like to say this about it, the very purpose of advertising sponsorship is to reach as many people as possible and at the lowest price, and of course as a result of that, we find that you may have some evidence that a general television programme is being presented through a mould - a medium which shares very widespread acceptance and palatability. There is not a great deal of imagination or courage displayed on the television programming. Now, with your subscription television you must bear in mind that we can't offer that same type of entertainment. You can't compete with a man who is giving it away, so we are restricted to a type of entertainment that is different from what is being offered today, and better than what is offered today. It has to be very much better before people will pay for it, so we have to get that type of programme from a source which is restricted, because the better the entertainment is, the less there is of it.





Therefore I can assure you gentlemen that I am going to be very happy and very surprised if we can have three or four programmes a week, because I don't believe that there is that much good entertainment being made.

I believe only last year 150 films were produced and probably half of them wouldn't be good enough for our use and therefore we have a very few programmes available to us or that will be open to the entre preneur or subscription television viewer. There will be the encouragement for him to look for what is good as an additional programme to add to the schedule. I am inclined to believe that in that search he will very often discover unique things, unusual things, but that type of programme definitely has the minority appeal.

An interesting aspect here Mr. Chairman is that if you take a minority audience in Montreal and you take one in Ottawa and still another one in Vancouver and still another one in Winnipeg and you get them altogether, you get a big audience. Big enough for a subscription service to go out for and reach these people with a programme. At the same time, if the organization remains really small but the programme offered to that small minority group is sufficiently important to them, then in order to make



it a commercially feasible and profitable thing,  
the charge that can be made to these people  
can be tabled to the cost on the one side  
and the audience on the other side.



MR. vanBEEK: But I do believe and I believe it very sincerely that subscription television does have the ability to reach the minority audience and can do so profitably where advertised-sponsored television would go against this in tastes and interests.

THE CHAIRMAN: I was thinking if you had to do like the advertising people, to reach out for the greatest possible audience, obviously the pressure would be directed to a more popular type of programme. You are saying you are charging ten times as much and can get along with ten times less audience.

MR. SLETTLAND: Other problems have been handled the same way. Opera, ballet, support themselves by box office prices. You pay more to see better quality production. You put your finger on the problem when you mention the value of judgment. Where you take the cultural versus the popular, and we appreciate it is pretty hard to say which is which, in the final analysis the people of Canada or in the United States or wherever it may be are going to decide what they want to see. The box office technique can certainly go much further than the advertiser. There is also one other point that is overlooked. The popular can subsidize the unpopular, instead of the government subsidizing it.

THE CHAIRMAN: You have that to some extent at the present time in the commercial system in the United States.





MR. SLETTLAND: That is right. Here the government is subsidizing the unpopular, so I am told.

THE CHAIRMAN: We don't exactly put it that way altogether.

MR. SLETTLAND: Excuse me if my remarks seem critical, I did not mean them to be. What the advertiser will not pay or cannot pay the government is paying for and the advertiser will not buy it if it is unpopular.

THE CHAIRMAN: It is the unpopular -- would you want to qualify that by saying the advertiser will only buy it when an audience is at a certain level of popularity and will only buy it when it reaches that certain level.

MR. vanBEEK: Mr. Chairman, I want to read from page 29 of the brief where we present our views on the opportunities for a creative talent.

"In the final analysis, it is the public that creates talent. It creates talent by its acceptance of a performer, by the willingness of individuals personally to support such a performer and to patronize his appearances. Traditionally, this has always involved a financial interest, usually the buying of a ticket to a performance. The very purchase of the ticket establishes the appropriate relationship between performer and patron, giving each purchaser



"the important right to be a critic.

This is the traditional process through which talent is created and cultural values developed. The Massey Report expressed a full understanding of this relationship when it stated:

'We think it proper for the listener to make a direct payment for services received and we believe that he appreciates these services the more for doing so.'

U.S. and Canadian television, however, have developed an entirely different relationship between audience and performer which is based on an advertising or government 'give-away.' This 'give-away' culture has come to be valued less in the public's mind than the entertainment associated with the stars of stage and screen whom the public normally pay to see. It is significant, for example that original television talent has shown little staying power and few, if any, succeed in employment in their art outside television. The apparent reason is that television has denied the public the feeling of personal patronage, which has traditionally been expressed in the willingness to pay to see these performers. Thus, the more personal



"relationship between public and performer does not exist in television as it does in the other arts. No one can yet determine the ultimate effects of a 'give-away' form of cultural expression which the public indifferently 'accepts' rather than interestedly 'sponsors.'

Subscription television, on the other hand, represents a restoration of the customary relationship between audience and talent. But equally important, it creates a vast new potential paying audience. Above all, talent must have a paying audience before which it can perform. The larger the over-all paying audience, the greater are the opportunities to perform. This is the way talent is created.

The talent problem in Canada is not so much a matter of adequate population to support the talent, as it is a matter of giving the present widely scattered population better access to entertainment. With relatively few people spread across a wide expanse, the problem of bringing audience and talent together poses difficult obstacles so long as paying audiences are limited to theatre and concert hall."





I think I will stop at this particular point. I would like to devote now, just a few points to what we call commercial operation. I was planning, actually, to tell you a great deal about it. But I was anxious to say the things I have said so far as I am more interested in them than these commercial things that we explained rather fully in our brief. However, I would want to say a few words about the specific operation in subscription television. The way we have planned it and the way we have presented it to the Commission in Washington we have left the broadcast position as it was. In other words, we are not taking away any responsibility from them. We are not getting into the act. We are not interfering in the relationship between the sponsor and the state. He retains all the control. Secondly, I would like to emphasize as strongly as I can, and I believe I cannot stress it enough every time I talk about subscription television, and that is that subscription television is not a revolutionary idea intended to replace whatever system of broadcasting you have today. It is simply an addition to what we have. A reinforcement of what we have. A new source and an additional source of revenue.

THE CHAIRMAN: May I ask you a question? It is a very elementary one but it will clear my mind on one point. This subscription television device, you can put it on an existing set in my house? You can take the attachment --



MR. vanBEEK: This is a dummy of it, Mr. Chairman, and this is the device that can be attached to any television receiver very quickly and very easily.

THE CHAIRMAN: That is what I thought, and the second question --

MR. vanBEEK: Nothing works on this, Mr. Chairman, it is just a dummy.

THE CHAIRMAN: The provision of the subscription services which you envisage does it involve the assignment of a channel for that purpose?

MR. vanBEEK: Not necessarily, but it could be done and I would assume it can only be done when there are a great many channels available and no one knows what to do with them. But that is not true in the United States and it is not true in this country.

THE CHAIRMAN: It is not true today.

MR. vanBEEK: It is not even true today.

THE CHAIRMAN: Supposing we were to say to go ahead with it would it mean the assignment of a channel?

MR. vanBEEK: No, it would operate on present stations. If there was to be subscription television at 8 o'clock, or at any time, it would come over the existing station. If I may, I would like to add something because we are touching now on a very basic problem and one which I feel very strongly about. To the extent that you broadcast on the existing channel, and I say to the extent



that you take an hour of that time away from that station and if that station is the only station available you would not be giving the public any choice but to pay and I believe that is a highly undesirable situation. It is because we feel very strongly about it that we are recommending in our brief, and we have taken the same position in the United States, that there will always be at least one choice. Otherwise I would not recommend it and even though it may sound that I am going against my own best interests I would not like to recommend subscription television to be authorized unless there is a second station.

THE CHAIRMAN: So what you are saying, nobody should be compelled to have this device on his set if it means his set is going to go dark for an hour here and there?

MR. SLETTLAND: We believe in freedom of choice. To take a specific example -- take any market -- take Toronto, for example, there should be a second station and that is the only way you avoid having a situation where you pay or you don't see television. It is up to the government to say how this should be done. Both stations could use subscription television as far as we are concerned, or, perhaps, only the CBC, or perhaps only private stations. That would be something for Canadians to determine locally but we do urge there be a second station so there is freedom of choice. There is no compulsion in connection with subscription television. The audience should





be able to choose between this as a free programme and they are able to choose whether or not they want a subscription television programme. Each programme will be charged for separately.

COMMISSIONER STEWART: I think you said it would not be economically feasible to operate a second network on your lines, presumably you mean on the basis of advertising?

MR. SLETTLAND: Exactly.

COMMISSIONER STEWART: But you feel through subscription television there is a possibility?

MR. SLETTLAND: Bear in mind there would be only a limited amount of subscription programme-- one or two hours each evening. Say Ed Sullivan's very fine CBC programme is there in competition but the advertising revenues would be supplemented by this subscription revenue during this limited time, and for the rest of the time, and I understand there are hours when they are not programming anywhere close to a full day, it is possible you would have net increase in programming. It is almost certain you would have net increase in advertising sponsors if you add stations even if both are dividing the limited amount of time of a subscription television. In any case we recommend not over 15 per cent of any station's time be used for subscription programme.



MR. vanBEEK: Now, if you have one station using 15 per cent, that leaves 85 per cent of its time for advertising or subsidized programmes; you add the second station and if it also does 15 per cent on a subscription basis you still have a net of 85 per cent for advertising programmes and the combination of the two will make more easy the operation of the second station.

COMMISSIONER STEWART: On the other hand, I can visualize this, the subscription TV proponent and the advertiser would both want to be on the air at the peak hours so that you could conceivably reduce your advertising revenue to a much greater extent than would be represented by that one hour.

MR. SLETTLAND: This can be controlled, perhaps only one of the stations is permitted to do subscription programmes which means you will have an advertising programme on the air at the same hour.

THE CHAIRMAN: Let us take our present programme set-up today, maybe ours would not be suitable to even operate through the second television outlet, you could accord the application of this device, extend your hour of programming giving the same thing you are giving today and add on subscription features at the end of the day if you wanted to?

MR. SLETTLAND: That is correct. You still run into the problem Mr. Stewart mentioned that the advertiser and the subscription programme may want the same hour and then the station operator or the CBC, as the case may be, will have to decide



and that may be an economic decision.

MR. vanBEEK: It may be interesting to observe that during the days in Canada we have our best audience at night after 9 o'clock.

COMMISSIONER STEWART: Yes, but the peak hours are 7 to 11, are they not? The class A hours for advertising are 7 to 10?

MR. SLETTLAND: It is 6 to 11 that is class A time in the United States.

THE CHAIRMAN: Well, let me ask you again one other question, this is a mechanical problem, a device I take it at the station and at the set, this does not involve, let us say, Zenith Corporation in the actual active programming?

MR. vanBEEK; No.

THE CHAIRMAN: In other words, it is one of the things that we have in Canada had a great deal of representation to us on the question of the importance of Canadian and American programming and the relative contents in our programme fare. This does not mean setting up a subscription television station and, in crude terms, turning it over to the Zenith Corporation?

MR. vanBEEK: No. I was going to devote some time to it and in the interests of saving time I skipped it but it seems to me to be rather an important point so I would like to change my mind and try briefly to answer your question as best I can. Technically what is necessary is what is called a coder at the station which will





scramble up your programme, sight and sound. At the other end you have that box and that is the decoder or unscrambler. The subscriber is getting information for each programme to be broadcast on a subscription basis which will permit him, after dialing a particular number on that box, to receive the broadcast intelligibly, there won't be any scrambling to disturb it. The information he gets is unique to him, to his particular box; if I give you as a subscriber a particular number for a broadcast tonight you cannot take that number to your neighbour or allow him to use it, it will not work on his set. This is done through a rather complicated computing technique.

COMMISSIONER STEWART: That explains the point that has been worrying me, going back to something you said earlier about the doctor, the doctor is the only man who could see it and that is because he has got that card that will bring it in?

MR. vanBEEK: He is the only one, if he tries to give it to another doctor it would not work on the doctor's set. There are different numbers for each programme which you can subscribe to.

MR. SLETTLAND: The illustrative survey at the back of the book you will see the card which contains the code numbers and that is the billing device. When that card is punched that is the record of your use. You pay money for the card under one system and alternatively a coin



box could be attached to that box but we expect the charge system will be more acceptable to the public.

THE CHAIRMAN: Is this a charge system which in practice would be run by the station?

MR. vanBEEK: I was coming to that point now. Now, the commercial side of it; first of all, in subscription television, if you can somehow get the number or by keeping dialing a series of numbers on that box and get the right number it would not help the financial end so there are things we have to accomplish in the box and that was to get that security inside it but still it should not be too expensive and I think we have established that.

Well, as far as commercial operation is concerned, some organizations are necessary. First of all, you have the local subscription television organization. Now, that organization, all that it does is to distribute the boxes and we in the United States do not sell them, they are leased like your telephone. The organization will take care of that and take care of its maintenance; it would send out to subscribers periodically and it would bill the subscribers and collect the moneys and distribute the money. That local organization does not engage in broadcasting and it may not even engage in the supplying of programmes.

Now, the second functional element in this commercial set-up is the broadcaster. The broadcaster is a man who independently secures what



he will consider as suitable programming for subscribed television broadcasting. He will then go to his local organization which is established in his community and say, "I now intend to broadcast two weeks from today or three weeks from today", and he will tell them what it is. Then the local set-up will make out a schedule, the public will be informed, the decoding information will be issued to the subscribers and all the other necessary steps will be taken to pick up the broadcast. But it could be the broadcaster who actually takes the initiative as far as the selection of programme is concerned. We, as a matter of fact, believe that this may be necessary in the United States, because in the United States the broadcaster is responsible for all he puts on the air as a licensee to the government so as long as he is responsible for it he will be the one to make the choice.

As far as the broadcast is concerned the programme supply would be anyone who can produce the type of entertainment that we feel subscription television would carry. Whether that is a motion picture producer, a producer of the legitimate theatre or what, in any event, that is the third element in this.

Now, to translate that into what might happen here and to also explain to you what our position would be; as you know, we are manufacturers and I am not talking off the record now, although it has not been the subject of publicity, but we entered into agreements with Sir Alexander Korda





in England and with another interest in Australia and this company would regulate the operation of each system of subscription television in this country. All that we agreed upon was that we at Zenith would make available to a local company there either already existing or established for the purpose, our know-how, our competence that we have in this field and our engineering so that you have this plan in respect to Australia and England. There would be then a local company in which we have no financial interest, it would be entirely local and we have reason to believe it will also be the position in Canada. There is no reason why it should not be financed by local interests so this company that we call the national licensee for Canada, that company would have all the rights and access to all the engineering information and technical know-how that might be of value to it and it would then have what would be a license agreement with Zenith. Then, that company would decide itself what it is going to do because it can then establish branches in cities in Canada or in respect to certain territories in Canada but we feel rather strongly that as far as we are concerned the actual operation and who does what is something that ought to be left to the people in the country itself.

MR. SLETTLAND: The entertainment industry is peculiarly susceptible to local control and operation. The entertainment preferences, cultural



preferences of a local community can only be known by them and that is why we have felt strongly that local interests should be the controlling factor.

THE CHAIRMAN: Well, to clarify this, I am not suggesting it is either desirable or possible for this community but if it is to the CBC, let us say in Canada, they could make the licensing arrangement with you?

MR. SLETTLAND: There is no reason from our standpoint why it could not be done.

THE CHAIRMAN: Whereby they would get your device and services and so forth, and they could then proceed to operate in the terms of their own programme production, in terms of their own distribution to the various cities and the collection of money and so on. Now, one thing I wanted to ask you was this, I take it in the United States at least it is going to be attempted to run on a profitable basis; how do you think it should be done economically to yield on any good programme something more than you actually have to spend out?

MR. SLETTLAND: Right, this is free enterprise.

THE CHAIRMAN: To the extent that that were possible, in my example of the CBC case, at least that particular programme would be paid for?

MR. SLETTLAND: Right.

THE CHAIRMAN: And they might make a



little more money?

MR. SLETTLAND: Which would subsidize something else.

MR. vanBEEK: Yes, all that I would like to say and this will be our conclusion, I intended to read the conclusion that we have in this book that refers to the others too, I am sure, who have something to say. However, I will forego that privilege.





With that I would like to finish my testimony by saying we feel this problem is a very economic problem, and the merits of subscription television apply to this problem, relying on the fact that it suggests a new economic approach to it. If it can be operated alongside the present way of operating television in this country, it seems to me it will give television in general a certain degree of independence, economic independence which it does not have today. It will have a few economic tools of its own. It will not have to rely on either the government or on advertising to the extent it has to now. I thank you very much, Mr. Chairman.

THE CHAIRMAN: May I ask you just one question -- and I think we all would have dozens of questions to ask you. It may be if we go on with the study we will want to either see you again or write to you and get certain specific information. I may say we have had such a busy week this week, that we didn't have a chance, after this brief of yours came in, to give it a really careful study. We read it through hurriedly, so there may be more questions which will arise. May I ask you this one, is the system one which, so to speak, has to be applied holus-bolus across the whole operation, or is it one that can be tried out in different localities and different spots.

MR. vanBEEK: It has to, Mr. Chairman. Just business common sense would almost dictate that you start out in one place and finance what



you are doing before branching out across the country. In other words, start it anywhere, regardless of size or population, and no matter how small the market, and try it. The only limitation would be, if you tried it, or if you were inclined to try it, or wanted to try it, you should have all the necessary cooperation and assistance from the local broadcasters, and from the programme supply sources that you would need to make the tests successful.

THE CHAIRMAN: You also do have to be prepared to try it on a sufficiently long-term basis in a particular spot to justify these people trying the boxes.

MR. vanBEEK: I would say if and when we get authorization in the United States we may sell just a very few markets and go into business there and we will try it out.

COMMISSIONER TOURCOTTE: Your colour test you spoke of was tested on a single station basis?

MR. vanBEEK: That is right.

MR. SLETTLAND: But four individual stations.

COMMISSIONER STEWART: The device could be used on any network?

MR. vanBEEK: Yes, it could be used on any station.

COMMISSIONER STEWART: Where would we stand in this country with such a widely dispersed population concentrated in a whole lot of small communities? That would pose no problem, would it?



MR. vanBEEK: That would cause no problem.

MR. SLETTLAND: I think the best way to illustrate that is that some of these statistics showed \$10 per thousand is what the advertiser pays; that is, one cent per set for the programme. A subscriber is willing to pay many times that amount.

THE CHAIRMAN: I am putting this only by way of illustration: in the case I am putting to you about the CBC, for example, acquiring this, let us assume for the sake of argument there were second licenses granted in Toronto: it would be possible for the CBC to try out this subscription television device with the necessary arrangements having been made in its Toronto station, if it wished?

MR. SLETTLAND: Precisely. I think the biggest problem is with the programming. The movie producer is not going to release a first-run film with a potential audience of 5,000 subscribers, because it is not worth it to him unless he does it on an experimental basis.

MR. vanBEEK: He may very well do it.

MR. SLETTLAND: We anticipate that may very well happen.

THE CHAIRMAN: There may be some existing television programmes that are available right now that would be available on re-runs, for example?

MR. SLETTLAND: That is right. There is much experimenting that needs to be done. We are looking into the future, and nobody knows until you try some of these things just how they will work out.





MR. deGRANDPRE: I have only one question I wanted to ask, Mr. Chairman. Have you been able through your Chicago experience to find out what is the cost of collecting the revenue -- the ratio?

MR. vanBEEK: We have a figure on that. This is information that has certain competitive value, and I am perfectly willing to make a copy of the report that went into that question available to you on a private basis.

THE CHAIRMAN: I think that is perfectly fair. We understand. Mr. vanBeek, I think this is most interesting, and we are most grateful to you for the trouble you have taken in coming up and really making it clear to me -- at least more clear than it has ever been before. I am sorry that the pressures are such that we cannot go on talking to you for the rest of the day on the numerous questions that arise, but I think it would probably not advance it very much further at this time. I think our better procedure would be to take a five-minute recess now and then start with the next submission by Trans-Canada Telemeter Limited.

MR. vanBEEK: We are at your disposal, Mr. Chairman, any time you want anything.

THE CHAIRMAN: Thank you.

---A short recess.



SUBMISSION OF TRANS-CANADA  
TELEMETER LTD.

Appearances:

Mr. E. E. Fitzgibbons, President.

Mr. J. J. Fitzgibbons, President of  
Famous Players Cdn. Corporation

Mr. Paul Porter, of International  
Telemeter.

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THE CHAIRMAN: The next brief we are to receive is that of the Trans-Canada Telemeter and I am very pleased to welcome Mr. Porter here today, under, I think, happier circumstances than I met him before, during the war time period.

MR. PORTER : I am very pleased to be here Mr. Chairman, and we have a few comments to make.

THE CHAIRMAN : We are very glad to hear from you.

MR. FITZGIBBONS : I suppose for the record I should begin by saying that I am John J. Fitzgibbons - President of Trans-Canada Telemeter, and rather than getting into qualifying statements on the technical aspects of subscription television, I think it is important that I say this, I would like to see the theatre organization get into subscription television.

THE CHAIRMAN; You are anticipating one of my questions.

MR. FITZGIBBONS: Well obviously, we have a



responsibility to 8,500 resident Canadian shareholders and one thing and another-- we have thirty five or thirty six years of selling this entertainment and it is obvious that the product of the television tube is the same product that we used on the motion picture screen and, as a matter of fact, today about 65% of all programmes networks, include the motion picture film, so that you see we do have a special interest.

I would also like to premise what I have to say by this thought, -- that in the plan we have for the development of subscription television we are planning to include other motion picture exhibitors. The whole plan is for the industry and not just for this company and that any patents or rights that we may have under Telemeter are going to be available not only to the exhibitors of Canada, but to the television industry at large.

We know that the most expensive form of television is on film; we also know that today the average television programme of thirty five minutes takes about two days' shooting. I have spent fifteen months at the studio and a considerable amount of time in the plant, where Telemeter is being developed.

We know that shooting a television programme today, as we see it, with the exception of spectaculars, is about ten times as faster than the average





television programme could be produced, so it must be obvious that the detail and the care with which that television programme is produced can have the care that goes into the production of a motion picture film - feature film.

So therefore, we are not concerned because we are in the theatre business and because we do, as I have said before, believe in the product of the two methods of entertainment shooting the same thing, and because we know from our actual experience - both in the production of television and in the operation of two television stations in which we have an interest here in Canada - and in the production of films, but more particularly in the exhibiting of the pictures, that today there is ample proof for both television and the cinema, as we call it, each serving their own particular manner of entertainment.

We are convinced that when the original plan for the operation of television was designed in Canada, it was never intended, or expected rather, that this media would be used as a media of moving, if you please, the motion picture theatre into the living room. That has come from the very great experience with television which indicates the very great scope that television has.



We believe that it requires the leadership of the government to provide those means because the very nature of television requires government supervision and control. We think we have a plan - or we know we have a plan - that has been tested and one which we intend to test further; we are convinced if nothing else, here in Canada we have 15 antenna systems located in situations where there are multiple programmes of television available - Montreal is an example, Vancouver is an outstanding example, London, Ontario and several others I don't recall for the moment. Trail has not got into that strictly antenna system but Guelph for example is another, and there are several programmes given using U.S. features. There are very many, approximately 500, community antenna systems operating in the United States that we know of.

THE CHAIRMAN: Just for my own information what do you mean by a community antenna system?

MR. FITZGIBBONS: The community antenna system as I understand it, was originally designed to bring in a signal to the receiving sets that were located in a fringe area by locating an antenna high enough to pick up a signal that would be clear.

THE CHAIRMAN: Oh yes.



MR. FITZGIBBONS: So there are as I say, approximately 500,000 subscribers to these systems in the United States. This is much more than what we have in Canada so that there is this point that the people who want to see television are quite willing to pay part of the cost of getting television.

Therefore, we believe that people will be able to see the entertainment provided by the motion picture theatre in their own homes, the same pictures, perhaps, that would be showing at the local theatre at a price that would be, for a family, much less than it would be in the theatre, and without the inconvenience of having to travel. Those of us who have grandchildren know the importance of baby sitters and the inconvenience of that problem.

THE CHAIRMAN : Except if you have a convenient grandfather around.

MR. FITZGIBBONS : We say there is no reason why that family, if they so desire, and if they didn't want to take the time to travel to the theatre - and the suburban developments of our larger cities takes time for travelling too and from work - or for any other reason where travelling is an important factor, especially if a fellow wants to get home to do some work around the house or get in ahead of the boss the next morning, - why they should not have this advantage. But we feel that we have reached the point where we must





recognize that the theatre business and the cinema business no longer have a monopoly of the motion picture entertainment. Another medium has been designed that is very much more convenient - far more economical - for the consumer, and certainly more convenient for him in his comfort and standard of living.

It was not my intention to make a speech but to make these few remarks. I would like to say this, before I left Los Angeles I picked up an announcement made by the head of the ABC organization in which he had reported attending a meeting of advertisers where it was learned that 70 per cent of the people polled in Los Angeles selected their programmes in advance. That is very significant I think - and they also mentioned in the report although they didn't give the number, that a great number of people polled reported that they had two or more sets in their homes. So therefore there is every evidence now that there is a desire in the home to see different programmes. There may be a difference between what I want to see and what my children want to see.

L  
follows



I believe, too, that there is a common factor in the problem of the Canadian Broadcasting Corporation and that of our industry. The factor is finalized in the broadcasting company trying to find the means of financing the type of programme that has been recommended by the government and it has so far proven very acceptable even if costly. We think what we are talking about today can very well be the lead toward the solving of that problem. We don't know the answers, specifically, but we believe it will require a considerable amount of experience and testing because of the many various and different opinions that must, of necessity come out of anything that is new. And may I say this to you, we are planning to install a system at Kitimat up in the Yukon and one at Kenora where today there is little or no television reception and we have applied in several other communities throughout Canada to set up wired systems on which we plan to furnish a complete television service. We plan on those systems to originate programmes that will go to the subscriber and we plan to have one channel built into that system that will make available subscription television so that they will definitely have a choice. We will see that they have. And if it is not impertinent or out of order I would suggest your Commission recommend to the Canadian Broadcasting Corporation that they join with us in one or two or more of those enterprises and that they need make no investment but



that they will join with us for the experience that can come out of it to prove this thing because we urge -- we are able to and we are willing to finance this and we are not asking for any financial help -- that they will go along and furnish us with the kinescopes of the Canadian Broadcasting Corporation and we will allocate that as a channel exclusive of their programmes and operated on the same schedules and the same programmes as if it were on a radiated signal. On the other hand, we will provide another channel that will be in competition with that subscription, that is, in addition to the subscription channel, because we want to find out -- we don't have any test that this can be proven with a captured audience. It must be given in a competitive and very clear system to be able to evaluate it. Certainly our company or any other company would be silly to go ahead until they could prove we are willing to make the investments.

THE CHAIRMAN: Mr. Fitzgibbons, I do not want to interrupt you but I would like to get one thing clear in my mind. In this Commission we have heard the word channel so many times -- we think of the television channels, you are thinking of wired channels?

MR. FITZGIBBONS: Wired channels; no radiated signals at all.

THE CHAIRMAN: This would not require the establishment of a signal; it would not require the allocation of a television channel?





MR. FITZGIBBONS: No, we will create the channel ourselves.

COMMISSIONER TURCOTTE: By wire?

MR. FITZGIBBONS: By wire; by cable.

I would like to enlarge on that for just a minute. I would recommend further to you that the Canadian government, the Canadian Broadcasting Corporation to license to us a station from which we could radio a signal in an area where there is a programme of television available today, or programmes, CBC or others, in which that station would be limited to nothing but subscription television. We are willing to make that investment, whatever it may involve to make that kind of a test. Or, we suggest, and it would be far simpler for us, that the government do that but we are not unmindful in that suggestion of what financing is involved because we have been through the building of two stations and we know a little bit about that. So Mr. Chairman, I don't think there is anything else that I can touch on. I didn't prepare anything other than a few notes. Some that were made on the plane when I was coming in, except to again repeat to you that this is a very vital thing to the motion picture industry in spite of the resistance that might be apparent from some uninformed people in our industry. We believe that this will be not only an additional service but that the government can provide the means for making it available.



We are confident, confident to the point that our company, the companies I am connected with, have made, and I am afraid to mention the numbers, fantastic amounts in negatives, and if we did not think there was a future in our industry those would never have been made. Because surely, the men at the head of our companies are not that stupid. We think, further, our business is changing to the point where only certain theatres will continue to be successful because of the convenience and economics of television. Because a great number of people can have entertainment at their finger-tips and in many communities, such as Toronto, Montreal, Vancouver in Canada, a selection of entertainment. What we are saying is this, that we want to add one more service to the television receiver. One more factor to the investment that the man made in the receiver. We believe he should have that. And we are willing to meet the investments to try and prove that it is practical.

THE CHAIRMAN: Mr. Fitzgibbons, I am sure this question is going to display nothing but my ignorance, but we have not had an opportunity to see your material before and it may be no more than an indication of what is bothering me at the moment. I take it in your illustration you were talking about a wired system --

MR. FITZGIBBONS: Both.

THE CHAIRMAN: I may have been interrupted with a slight emergency that prevented me from following the second stage but I understood that as far as the wired system goes you set up a studio and you pipe out what happens to be similar



in form to a television set which picks up your sound signal. It is exactly the same type of thing as a telephone exchange system -- almost. I don't know what restrictions and qualifications and permits there may be on that but I wonder how that falls within the scope of our reference as far as the wired system is concerned. I am not clear in my mind how you go beyond this to bring in the television phase.

MR. FITZGIBBONS: I think Mr. Porter will have a little to say about that. But the whole purpose of this, the wired systems, is to test and to prove because we don't think today the government would make available to us the channels we require because, as we have said in the previous presentation if there is only one channel there will be a blackout period on free television and I suggested, and I will repeat it again, to see if I can clarify it, if the government will give us a license in an area where there is a channel that can be used that will not black out any free television that is in the area, we are willing to assume that kind of an investment and be limited in that test station to whatever requirements are necessary to prove our case and to operate within the format of the government regulations but in the meantime to try and anticipate that we are going ahead.

THE CHAIRMAN: You are going ahead with the wired system?





MR. FITZGIBBONS: We are going ahead with the wired system. We are going ahead with that because we only require the approval of the Department of Transport and then whatever arrangements we must make locally with the local council. Kitimat happens to be in an unusual situation, which I presume you are somewhat familiar with, and there has been a desperate need for something like this to be made available in that area and we are going in there. That is a long way to travel to do it but we think it will help us because we operate at Prince Rupert anyway which is only 75 air miles from Kitimat. I hope I have not confused it. We are going to try and prove the sound wire and we have the machinery to put it on the air.

THE CHAIRMAN: That was my point. I think I have got it now. While it is most interesting I don't think the wired system comes within our terms.



MR. J. J. FITZGIBBONS: I thought I had better tell you that just to make the point.

THE CHAIRMAN: Mr. Porter, you have given us a typed statement and I think for the sake of the record we will mark it as Exhibit 230.

EXHIBIT NO. 230: Typed statement of Mr. Porter.

THE CHAIRMAN: Now, we will be glad to hear from you.

MR. PORTER: I will try to be as brief as possible, but, Mr. Chairman and gentlemen of the Commission, I would like your indulgence while I make this statement. When I arrived in Ottawa last night I was shocked to hear of the untimely death of Cecile Browne; he was well known to many of us, and I recall a conference with him on the British Commonwealth in 1945. Certainly we share in your loss and your sorrow, and I think it is appropriate that the Minutes of this meeting reflect our shock and sorrow.

THE CHAIRMAN: I have already expressed our sadness at the loss to this Commission and I appreciate your remarks.

MR. PORTER: Mr. Chairman and gentlemen, I assume this statement will be incorporated in the record as though read, and we have filed with your staff a rather elaborate presentation, which I think you have before you. I do not know whether that should be marked in the record or not, but this is the presentation that was made on the same issue to the FCC.



THE CHAIRMAN: Have you any objection to it being marked as an exhibit?

MR. PORTER: None whatever.

THE CHAIRMAN: We will mark it Exhibit No. 231.

EXHIBIT NO. 231: Comments of International Telemeter Corporation to Federal Communications Commission.

THE CHAIRMAN: We do not actually in our procedure put the full wording into our transcript. We use the exhibits as a reference and we have what is said down verbatim, so this can be marked without being printed.

MR. PORTER: There are many matters which are not relevant. There is what purports to be a learned legal dissertation on the powers and functions of the FCC, but the significance of it is relevant. Some of the data I have in my prepared statement is taken from this material and I think for the first time that an effort was made to bring into one document what I might call the analogy on the economics and the advertising background of the American system of television.

Now, as has been stated this morning, I shall try not to track down the same matters that Mr. van Beek went into, but as you know the system in the United States is based exclusively on a sponsor system and supported by advertising revenues. Now, what we are really interested in is the content, the entertainment of the programme that comes on to the tube, what really emerges on that system. I have undertaken in





this statement to develop a few of those, and I direct your attention to Table 1 on page 3. Some of this was covered this morning, but here is a group of 59 sample programmes in 1954 adjusted to a half-hour basis to determine what they cost the sponsor or the advertiser. You will note that out of the 59 programmes 43 had an expenditure of less than  $1\frac{1}{2}$  cents per home. We are getting into a qualitative standard but nevertheless the economic basis is very obvious; the  $1\frac{1}{2}$ -cent programme is for a wide cross-section of the television fare that the American viewer is now getting.

If you will turn next to the second table, Table No. 2, there are some of the top rated programmes, of which I am certain you are familiar, and there we deal in specific terms the cost of telecasts, the number of homes tuned in and the cost per home reached. As you can see, for the most popular programmes it is down as low as one-half cent, and we have a range going from 4 cents to 6 cents, the big majority are in the range of  $1\frac{1}{2}$  cents per programme tuned in. These figures teach us two things. First, advertisers can afford to sponsor only those programmes which appeal to the largest possible audience. Shows which have limited audience appeal are unattractive to the advertiser since the cost per set tuned in becomes prohibitively high. Secondly, the expenditure to homes tuned in is abnormally low when judged by



entertainment expenditure standards. If you multiply the  $1\frac{1}{2}$  cent figure by three to cover the average running time of a movie, ninety minutes, we arrive at an expenditure of  $4\frac{1}{2}$  cents for ninety minutes' entertainment. This compares with the 50-cent admission figure for most neighbourhood theatres.

Now, I think this demonstrates conclusively that if you are going to rely wholly upon a system of sponsored television you are going to have programmes of this wide mass appeal, and you are going to have programmes tailored to the needs, the specific needs of the advertisers, and thus the many fine programmes that have a popular appeal do attract a very widespread audience. I think the whole point about subscription television is, is this the potential, is this the limitation on what this media can accomplish? We are interested, of course, in that subscription television, pay-as-you-see television, offers a further development, widespread appeal to the public on a quantitative basis. I think it is interesting to note, as I have in my statement here, that the chief advertiser we have on television in the States is, of course, Proctor and Gamble. In 1954 they spent \$31 million on television advertising, and I have the breakdown here as to how they spend that money. They did 22 programmes, including such well known soap operas as Welcome Travellers, The Seeking Heart and Three Steps to Heaven, and some \$23 million out of that \$31 million went for daytime programmes, and



about \$8 million for night-time programmes. This pattern was repeated by other advertisers with the same sales objectives.

I am not being unduly critical of the network operation because they are there to serve the needs of the advertiser primarily. Their public service, of course, is well known and they do a great deal of very fine things, but the availability of these programmes through repetition means that the station operator, in order to do something else, must forego revenue; he gets sustaining programmes or good music of artistic value; he must cancel, and very few of them do.

Then, finally, the listener, the broadcast viewer, he has no choice, and there is no way to improve the position. In the non-broadcast world, if his tastes are not satisfied by the movie in the neighbourhood theatre, he can by paying more money go to an art theatre, the legitimate theatre, opera or a concert. His choice is bounded only by his taste and his pocketbook. However, in television he has no such choice. No matter what his taste, no matter what he is willing to pay, he can receive only what the advertiser can afford to bring him; he must accept the type of entertainment which can be bought for  $1\frac{1}{2}$  cents per half hour per home.

Now, we have developed, as I see it, a complete economic history of what the present system in the States is bringing to the viewer. What can be made available? That was gone into some-





what this morning; Mr. Fitzgibbons has talked about the dilemma of the theatre exhibitors, the progressive ones, who recognize this new media is but an extension of the arts they have developed over a number of years. I have some figures which I think may be of interest to you.

On page 8, where the average cost per feature in 1953, a first run motion picture feature was about \$900,000. The range goes, of course, from \$300,000 to in excess of \$6 million. Now, when television time charges are added the cost is increased by another \$100,000, so to develop that kind of programme on a sponsored or a commercial basis and add the station time charges to it, it would cost an advertiser \$1 million for a single exhibition of such a programme. Now, that is nearly three times the most expensive show, Producers Show Case in 1954, and obviously if anyone undertook on a commercial system to run these on a 52-week cycle it would involve advertising expenditure greater than the two largest advertisers, Colgate and Proctor and Gamble. The practicability of this is obvious and I need not labour the point.

THE CHAIRMAN: Just one question, Mr. Porter. It might well be that to produce a show such as a feature length movie performance would cost in the area of \$1 million on the average, but supposing a movie is produced and exhibited in many countries of the world, and so forth, would not the cost of your production be ---



MR. PORTER: Oh, yes, but this is perhaps a little over-simplified, and Mr. Fitzgibbons knows much more about it than I do, but no producer would exhibit a first-run film to a nationwide television hookup if he was going to get subsequent exhibition in the theatres. What that would do to the subsequent box office has never been fully determined.

THE CHAIRMAN: I really do not want to get into the film industry's economics about which I know very little, but for the sake of argument would it not be possible to have the first run of the top film shown on television and still have the second run that you now get in suburban theatres?

MR. PORTER: Yes, but on your first run rights, that is where the majority of the revenue comes from, about sixty per cent on the first run.

THE CHAIRMAN: My question was that the \$1 million figure probably ought to be \$600,000.

MR. PORTER: There would be some consequent recovery.

THE CHAIRMAN: I am not disagreeing with you.

MR. PORTER: I make the point here of Richard III, which was referred to this morning, and I think Mr. van Beek made the same point you have in mind, but that is noteworthy because it is so infrequent. I made the point before that



programmes like Peter Pan and Richard III, merely because the army gets turkey on Christmas and Thanksgiving, that does not necessarily reflect the diet throughout the remainder of the year. It is quite clear that the American networks do develop these spectacles such as Peter Pan and Richard III, possibly to justify the continuation of the present commercial system.

Now, I have further data here in relation to what the motion pictures can do with such presentations and what the economics would be. From data collected it is estimated that average feature films could be presented on pay television at a price range, depending on the number of homes tuned in, of 25 to 40 cents. Then, you go into opera, where I think it is interesting to note that on a closed circuit theatre telecast in 1954, 30,000 people in theatres watched it where it was taken by co-axial cable, and they paid \$7 per seat to see it on large screen television in the States. I think that is significant that it is proof of the point you were discussing this morning that there is a minority group that will go to that bother and trouble and pay those prices. When you get a large screen television actually the cost to the subscriber goes down.

Now, coming to sports, sports is a natural for any form of subscription television. We point out here that the minor league attendance has slumped in the States and I suppose Canada is having a similar experience; it is





going down and down. Many of the minor league owners I have talked to are bothered with the telecasts. The illustration we used this morning as to a football game or a major sport event, it is a great potential and a great opportunity revenue-wise for the owner of the area, the station that is operating it on whatever system of pay television is adopted.

I use an example here that the total Washington attendance in 1954 was about 500,000 or an average of about 7,000 per game admission charges, ranging from 75 cents to \$2.50. If the Washington Club could obtain an average of 15 cents net per set tuned in, it would need only to reach about 10 per cent of the total sets in the area in order to recoup from pay-as-you-see television as much as it ordinarily takes in at the box office. Then, we describe what has happened in Notre Dame football that is now shown on the theatre television in the States and not the home sets. Therefore, the home viewers are being deprived of it.



My next point is on the question of new television stations, and I describe in my statement here the analysis that was made by the Columbia Broadcasting System, that where even though we have 1800 television channels allocated to about 1300 communities in the United States -- and I don't want to get into the great, difficult VHF and UHF problem -- nevertheless, there are fewer than 450 stations now in operation. CBS is the authority; they made the analysis. The figures, which according to CBS do not fluctuate materially from year to year, show a high of \$16 expenditure per TV home for three or four station markets with correspondingly lower figures for one and two station markets. The average for the entire country is \$11 or \$12 per TV home. There is an economic limitation under the present commercial system of the number of stations that can be supported in the United States. There is Table 3; these are the estimates made by the CBS and based upon official statistics obtained from the Communications Commission. So, if you take their underlying assumption, which I do not challenge, it is quite clear that with the limitation of support from advertising revenues, we will not have in the United States a truly nationwide competitive system of television, limited to 588 stations in 270 markets.

Then, I undertake here to make a further analysis of what can be done if this new and supplemental income comes in from



subscription television where we assert that in a one station market with 220,000 homes, if they would pay \$1 per month for subscription television, that would create the \$200,000 necessary to support such a facility, and that is a matter of mathematics and in stations getting markets. Mr. Fitzgibbon referred to the Kitimat station, a subsidiary of International Television itself, I think.

MR. J. J. FITZGIBBON: No.

MR. PORTER: It is a subsidiary in Palm Springs only.

MR. J. J. FITZGIBBON: Yes.

MR. PORTER: Palm Springs is bordered by mountains, and they can't get it from Los Angeles, so pay-television experimented to see what the public itself would have. The selection of Palm Springs has been challenged by some of the adversaries who claim there are more swimming pools in Palm Springs than there are bath tubs, and that it is not a typical community. We tried to make a selection among low income groups, and our experience in Palm Spring came out almost identical with the experience that Zenith had in Chicago, namely, that the public was willing to spend directly on television entertainment about \$1.50 to \$2 per week, or, roughly, \$75 to \$100 a year. You contrast that with what advertisers spend, namely, about \$16 a set in use per year, and you can see the obvious potential where economic support for new programming ideas can be obtained.





THE CHAIRMAN: I just ask you a question on this telemeter system: let us take Palm Springs; am I right in thinking that it consists in that case of a central studio or originating office, and then you take co-axial cables to the individual sets?

MR. PORTER: That is correct. It is completely a line system and does not require a licence from the Communications Commission. We take up the transmissions on a mountain near Palm Springs -- from Mount Wilson -- and by co-axial cable right down to the central studio. There is a camera chain and you can originate programmes from Palm Springs, or beam them up in the air from the originating station in Los Angeles.

THE CHAIRMAN: How do you operate from there? Do they pay so much a month?

MR. PORTER: They put the money in the coin box. I think the policy is the important thing: if you will note, in the middle of the book there is a graphic description of how the system is worked in Palm Springs, and I would take it, Mr. Fitzgibbons, that the Kitimat situation would be identical with this, except you would not take the transcription off the air?

MR. J.J. FITZGIBBONS: That is correct.

MR. PORTER: And you would originate from the studio by wire lines to the homes.

MR. J. J. FITZGIBBONS: May I point out that the reproductions of the coin box have been discontinued. We are designing a new box;



that is not the design.

THE CHAIRMAN: I see this goes on on a definite channel on the set?

MR. PORTER: Oh, yes.

MR. J. J. FITZGIBBONS: Picked up on the mountain for the broadcasts that originate on Mount Wilson, and then the other programme . . .

THE CHAIRMAN: . . . has no channel in the same sense --- applicable to a channel?

MR. PORTER: No, it is a closed circuit and has not a channel allocated.

THE CHAIRMAN: This channel 6 in Palm Springs is because that happens to be the channel frequency of the station on the top of the mountain?

MR. J. J. FITZGIBBONS: That is right.

MR. PORTER: I would like to comment very briefly on this, Mr. Chairman, if I may: what do you do with one-station markets where subscription television may be authorized? It affects the problem of blackouts. That was commented on by Mr. van Beek this morning, and we agree with the policy that there should be a signal or a programme available to non-subscribers, but we have developed, and it has been fully demonstrated in the laboratories, a technique that you can send in a 6 Mc channel two programmes simultaneously. I think Mr. Richardson, the engineer will agree with me that the maximum use is not always made of the channel. More intelligence, more information as techniques are developed can be obtained on the 6 Mc channel. As you will see, if you analyse



the television system, where we are concerned with the problem of the non-subscriber is that the scrambled signal would go out over channel 6 and some non-subscriber would tune to channel 6. There is an important public relations matter involved, because he would think his set had gone wrong because of the scrambled image, and he may call his repair man, and he would say, "You have just been listening to tele-theatre." That was a matter of concern for the regulatory authority, the FCC, that this should cause a great deal of public misunderstanding and resentment. So, the scientists and technicians went to work. In the early system of teletheatre, and still in the system, they have what is called in theatre terms a marquee on your set saying that this was teletheatre, and on the side the audio would come through informing you that there was nothing wrong with the set, that this was a telemeter transmission, and probably they would put a little plug in there that if you want to get one they would tell you where to get it. From that developed the system of getting two programmes on the same 6 Mc channel, and we are prepared, and have this in the laboratory where a single channel can be used, one for a free programme and one for subscription, without substantial derogation or degradation of the programme.

THE CHAIRMAN: I realize this is only in the laboratories at the moment, but it would also mean, wouldn't it, it would be possible to





have these programmes on --

MR. PORTER: Precisely, with the scrambled signal.

THE CHAIRMAN: Which does bear upon the question of the availability of channels.

MR. PORTER: It certainly does. Either we are going to make, certainly in the United States, a greater and more widespread use of the ultra high frequencies, or there is going to be more intelligence, more programmes, going out on the 6 Mc channel.

THE CHAIRMAN: Yes.

MR. PORTER: As a matter of fact, I think most engineers will agree that the channel is not being fully and effectively and efficiently used -- the limitations of coaxial cable, and I doubt if there is a television receiver, with the possible exception of Zenith, that gives you more than 6 Mc.

COMMISSIONER STEWART: This two signal possibility on one channel could only be used on the 6 Mc channel?

MR. PORTER: No, they are all 6. The standards in Canada and in the States, of course, by treaty or by agreement are all identical. I would like to make just one concluding observation, which is perhaps a venturesome guess, and that is, I would make the prediction that subscription television in some form of consumer payment for quality entertainment is going to come. It is a question of



when and how it will come. I think it is inevitable in Canada and in the States. If I would not be considered presumptuous, I would suggest in your system in Canada you have a great deal more flexibility than we do in the United States. There, vast interests have been built up and the established broadcaster, particularly the networks and those who have network loyalties, obviously are vigorously opposed to any system of subscription television. We at Telemeter take the position that this is a matter that should be decided in the market place; we are not asking the public to take anything they don't want. If they want it, they will take it. If they don't want it, Telemeter will lose its investment in time, a substantial amount of money also, but I believe very sincerely that we are going to come to that kind of a dual system both for commercial sponsored television and for the consumer to pick and choose and select what is offered to him, and I subscribe completely to Mr. van Beek's remarks this morning that if subscription television results in the fact that nothing but Gresham's Law operates, then it will not succeed because it would not deserve to succeed.

I think I have kept, gentlemen, within my half hour.

THE CHAIRMAN: I think you have indeed. I hope we haven't hurried you too much. You used a phrase something like saying the time was coming when the consumer was going to have to pay for a superior type of programme. I am not sure if



you put it exactly that way.

MR. PORTER: That is what I intended.

MR. J. J. FITZGIBBONS: I would not agree with that.

MR. PORTER: A superior type?

MR. J. J. FITZGIBBONS: No, I would say this: I think the suggestion that pay-TV will take away some of the quality that is now available for free television is entirely exaggerated, because I am reasonably certain from what we have seen and what we know now that the bulk of the pay-TV time will be feature motion pictures which they would ordinarily buy in the theatre, and what we are saying is that we will deliver it to them. There may be some ancillary uses, and I don't entirely subscribe to all the things that have been said about pay-television. I am not one to contradict myself, but I believe instead of a projector in a theatre we are using a transmitter as a television station to deliver a theatre performance that I believe will enhance television, and not detract from it. This I know, Mr. Chairman: our pictures are better since we had television as competition.

THE CHAIRMAN: Well, I really don't want to get into that. I was really dealing with Mr. Porter's point that, as you were saying, in effect, the time would come when the consumer would have to pay for a better television fare than the advertising system would provide, and I am just thinking, as you properly point out, you are speaking from an American experience. You





could argue in Canada today that through the device of taxes we are, in fact, paying as consumers for the kind of television fare which we are getting at the moment. In other words, to some extent the application of pay-as-you-see television may be different in the United States where you have a particular commercial system today, and to Canada where you can argue, I suppose, that to some extent we are having a "pay-as-you-see" television right now.

MR. PORTER: Everybody is paying for television.

COMMISSIONER STEWART: Some are not seeing it, but they are paying?

MR. PORTER: Yes, I agree with what Mr. Fitzgibbons was saying. I perhaps did not make myself clear. I think whenever you inject a new competitive force as pay-as-you-see television it will tend to lift the level of the whole programme structure, because the networks will have to get out, and the individual stations, on programme competition.



MR. COMMISSIONER STEWART : I can see the possibility, we will say for instance with the Grey Cup game which is a football match here, I can't imagine the public of Canada allowing Telemeter to put that on and make them pay for it, after having had it all these years for nothing. So that in that regard, there may be a certain amount of limitation and probably that is what you had in mind, Mr. Fitzgibbons, when you thought it was going to be a vehicle for the motion pictures later on, or largely a motion picture vehicle ?

MR. FITZGIBBONS: Well let me put it this way. I certainly agree Mr. Stewart for example that in the States, it is unthinkable to me that the world series would ever be blacked out anywhere.

MR. COMMISSIONER STEWART : Or the parade or roses.

MR. FITZGIBBONS: That's right, but other sports events have been blacked out and given theatre television, but where you have this problem as to what is really a national institution, then you undoubtedly anticipate the widest possible distribution to a great audience.

MR. COMMISSIONER STEWART : Well I can see where this might operate to solve some of the problems that we have been facing here, - financial problems - but this is beyond the scope of our inquiry,



however I am wondering if we wouldn't be creating other problems. Now in this sense --- arising out of what Mr. Fitzgibbons said that this would be available to others - not just particularly Famous Players --- would you tell me if you mean producers when you say "others" ?

MR. FITZGIBBONS : Exhibitors - theatre operators or anybody who wants to use it.

MR. COMMISSIONER STEWART : Yes, but what is worrying me is that you wouldn't put on, presumably, first-run pictures --

MR. FITZGIBBONS : Yes we will.

MR. COMMISSIONER STEWART : But then where does your neighbourhood theatre go?

MR. FITZGIBBONS : First-run in certain areas.

MR. COMMISSIONER STEWART: Yes but where does your neighbourhood theatre come in, where there are probably third, fourth and fifth run pictures shown? He has a huge investment in plant and know-how and one thing and another - how is he going to be paid for what goes on?

MR. FITZGIBBONS : Well there will be some casualties. After all the livery stable has virtually disappeared since the automobile was invented, but we still have transportation facilities. They are even better today than when we had the livery stable.

MR. COMMISSIONER STEWART : But on the other hand, second run theatres are usually the





little fellows who have a sizable investment.

MR. FITZGIBBONS : Oh yes.

MR. COMMISSIONER STEWART : And your producer and probably your second and your first run theatres can get some recompense, but the little fellow will probably be put out of the picture altogether.

MR. FITZGIBBONS : Well he is through now. We are already closing - in fact I have closed six of these theatres of ours in Vancouver. Television has done that to us. I wouldn't be so mean as to say the government did it, but they did.

THE CHAIRMAN: Well supposing, just to make it simple from my point of view, you had nothing but subscription television - what overall advantage would there be to the public in terms of assuring the programme plans? Let me explain - they would be paying, so to speak, a coin in the slot for the programmes they wanted to listen to. Naturally those programmes that were worthy of the greatest popular appeal would be the ones that would get the greatest number of coins in the slot. The economic pressures would enter the picture again, since you want as many coins in the slot as you can get, and the pressure would still be towards the production of more and more things of popular appeal - the



more popular type of feature. I still come back to the question I asked earlier this morning: how does the minority audience, the man who wants to get something which doesn't appeal very widely, make his desires felt, assuming he is big enough to be responded to by the system. How does he select his interest in opera, let us say. Would you not, in other words, in this system, be subject to precisely the same economic forces that you are faced with at the moment, except that you were working with a 1<sup>1</sup>/<sub>2</sub> cent programme as against a 25 cent programme?

MR. PORTER : Yes, Well of course that is a criticism of any system -- pay-as-you-see system or -- I have debated this with Dr. Stanton on his own network some time ago and I could not visualize an all pay-as-you-see system -- there has got to be peaceful co-existence.

MR. COMMISSIONER STEWART : On the other hand, under your conception of this, I presume you would be, or your viewer would be, capable of seeing your programme at any hour of the day that he wished to put a coin in the slot ?

MR. FITZGIBBONS : No, there would be specific relative times, with advanced notice of programme schedules as to what he could see and at what hour and what it would cost him.



THE CHAIRMAN : So for instance, if a picture was being shown in some theatre, you don't intend to pipe it out there -- this would be a special show ?

MR. FITZGIBBONS : We don't intend to pipe it directly. Directly you have the theatre. That wouldn't be necessary because we can't use instead of a 35 mm print a 16 mm print.

MR. COMMISSIONER STEWART : I see - so then you have the same idea as Mr. Van Beek explained this morning - of being on the air only certain hours of the day ?

MR. FITZGIBBONS : A limited time - yes. And also, on the point that the Chairman was making, if the viewer was able to get for nothing what the subscription television was trying to charge him for, obviously he wouldn't buy it.

THE CHAIRMAN : No -- I can see that, but I am simply saying this - in the first place you may say you are going to start out for a couple of hours a day and then you may want to spread your broadcasting time from whatever it is to 4 hours or 6 hours or 8 hours - and all the economic pressures that it brings are in favour of spreading your broadcasting day. And then you have got all these various pressures that want you to get as many coins in the slot as you can get, and therefore you will be bound to select the programmes with the





greatest popular appeal, and are we not just back in the same position ?

MR. PORTER : If it worked out that way that would be very true, but you would have competition -- a competitive system, and I think two-way competition and regulation may be the answers to that.

MR. FITZGIBBONS : I think too, for example, there is a case in point in that there are millions of copies of Life and Time and McLean's Magazine sold in Canada every week. People pay for them and we find in them many instances of repeat news that the public will get free over the air, by radio and telecast on television. But they want more complete stories and they want perhaps more detail than they receive in the synopsis that they get in the broadcasts.

May I add one thing if you don't mind --- before you close your hearing, a question was asked on the financing of performances or presentations, and the matter of accounting. Our system has a complete electronic type of recording that not only tells us when, but how much and who it belongs to - automatically. The only mechanical or manual action in the handling of the system would be the delivery of the box which would be similar to the lower portion of the pay-telephone-station box, that is removed by a



collector, and the minute he removes that from the machine it is automatically closed, so that if it is tampered with we would know that, too.

THE CHAIRMAN :     Yes;     I will put my question in a slightly different way.     Are there any different economic forces really bearing upon the choice of programmes in subscription television, than there are bearing upon the choice of programmes in commercial television supported by advertising?

MR. PORTER :     Yes I think there are, definitely Mr. Chairman.     That illustration I gave as to our largest single advertiser in the States - Procter and Gamble, who tailor their programmes to the widest possible sales appeal and to the repetition of the advertising message, is a case in point.



MR. FITZGIBBONS: There have been some instances where programmes have been cancelled even though they have had a very good audience because the advertising agency felt the sponsor did not feel they were going to sell their product.

THE CHAIRMAN: At this point I will put in the Telemeter publication as Exhibit 231.

---EXHIBIT NO. 231:      Comments of International  
Telemeter Corporation.

THE CHAIRMAN: This is subscription television mind, to use your own phrase, but to change it a little, it is also the programme for the highest possible viewing appeal.

MR. PORTER: That would be the natural economic incentive, but if it had the same format as sponsored television then, again, the public, the consumer, would say, why pay when I can get it for nothing?

THE CHAIRMAN: I completely agree with you but what this might do is to raise the cent and a half level or the 25-cent level, or whatever you want to call it --

MR. FITZGIBBONS: I cannot agree with  
.....

THE CHAIRMAN: I am only putting it to you to get your explanation as to what your incentive will be since you are doing it for commercial gain, for which I do not blame anyone. And you will necessarily look for the greatest possible scope of programme appeal.





MR. FITZGIBBONS: Unless given something new and different and the advertising sponsor in figuring the cost per thousand is not going to increase his production cost beyond what is economic for him to get a return on and as a result they are not bound by those limitations in our programme costs.

THE CHAIRMAN: I agree with that completely and I think, instead of bringing an "I Love Lucy" type of programme, -- I have never seen it but I have heard about it or you might have a King and I production and it would be a very good thing to have a King and I production and it would still have a very good mass appeal.

MR. FITZGIBBONS: You have picked a very popular picture.

THE CHAIRMAN: That is why I did it. Where do we get the format of this experience which leads to the interpretation of French Canada to Western Canada, or the development of Canadian history or the gradual elevation of musical taste and we have seen evidence of the musical taste -- what economic incentive and what kind of economic gain is there for that kind of a programme?

MR. FITZGIBBONS: I would like to answer this way, if I can -- take any one of the things you subsidize, whether it is opera or ballet or whatever you like in any given community, we will take Kingston, there is a limited audience that cannot afford to pay for that quality of that particular programme that they want to see.



But if you could put that under a roof where all of Ontario, where the various groups and the various communities that wanted to see it would pay to see it then you can afford to have it.

THE CHAIRMAN: Let me put this to you -- take your example of Kingston and let us assume for the sake of argument there are 100 people in Kingston who would like to see an opera and let us assume also there are 10,000 people in Kingston that would like to see a variety show and you are operating a pay in the slot device in Kingston, which are you going to produce?

MR. FITZGIBBONS: That is right. we would find, I think, with the widest spread coverage that you could get with radiated signal on television that we would get enough revenue. I gave this example once -- we know what the gross is in Toronto of the Metropolitan Opera. It is fantastic because it can be produced in an arena and can be converted. I think they tried the same thing in Montreal. Suppose that opera was brought to Toronto, Montreal or any other Canadian city and produced, it could be produced on television for a little more, generally speaking, than what it cost to move the Metropolitan Opera from New York to Toronto or Montreal and it would then be made available for the miner in Timmins or a person who is in a remote section of Canada or the smallest community, who couldn't possibly travel to Montreal, even if they could afford it, supposing you have 2 million sets that are now available in Canada, or 2 million-odd,



if only 400,000 paid 50 cents to see a performance that in Montreal would cost say \$4 or \$5 or \$6 apiece then you have reason to produce the kind of tailored programme that I think you are referring to. I think this subscription television makes that possible.

THE CHAIRMAN: I can quite see that by spreading the 100 people in Kingston to 100 more in London and so forth you would be able to build up a number of those 100 units to make it economically feasible to produce a Metropolitan Opera. But if you can do that for the Metropolitan Opera you can take the 10,000 people in Kingston that want to see a variety show and add to that another 10,000 people in London and 10,000 somewhere else and the economic point of view from a coin in the slot each time, the economic point of view for you is much better, and the producing of an opera is based on your own sense of responsibility.

MR. FITZGIBBONS: I will qualify it by saying that the natural thing in business is to go to the most profitable point.

THE CHAIRMAN: You are substituting one commercial incentive for another commercial incentive which might lead to a much better programme but would still lead in the direction of larger mass appeal.

COMMISSIONER STEWART: Which would lead to the regulations --

MR. FITZGIBBONS: Regulations -- you took the word out of my mouth. I think when it comes to a possibility there will be programme regulations.





COMMISSIONER TURCOTTE: Do I understand you to say the matter of simultaneous presentation on one channel of two programmes, one free and one pay, is only in the laboratory stage or has it passed the laboratory stage?

MR. FITZGIBBONS: I have seen it, sir, it works.

COMMISSIONER TURCOTTE: It works?

MR. FITZGIBBONS: Yes it works. Obviously it is more than a theory. It is an established technical fact.

COMMISSIONER TURCOTTE: If a station could offer two programmes simultaneously, one free and one subscription --?

MR. FITZGIBBONS: That is right.

COMMISSIONER TURCOTTE: That is possible now, not in six months or two years?

THE CHAIRMAN: It is in the laboratory?

COMMISSIONER TURCOTTE: No --

MR. FITZGIBBONS: Subject to tooling and subject to other qualifications, I say this with due respect to my friends here, I don't know how much you have had to do with engineering but they are the most frustrating people in the world. We are testing now on closed circuits.

COMMISSIONER TURCOTTE: So it is a possibility in the near future?

MR. FITZGIBBONS: The next test is a field test. It hasn't been field tested that I know of.



MR. PORTER: That is the next step.

THE CHAIRMAN: May I ask this one question, is your position in National Television virtually, the same as Zenith, except that you use a different method of getting the signal from the central and main point to the set? They use it by means of television signals through the air and have a device for scrambling and unscrambling them. What device do you use, can you tell us, to tie up the system with the set?

MR. FITZGIBBONS: Zenith used a scrambling system by telephone in their first sets, as I understand it.

THE CHAIRMAN: I am not trying to force you into agreement or disagreement.

MR. FITZGIBBONS: I am not saying it is the same scrambled system, but it <sup>is</sup> coded and decoded.

THE CHAIRMAN: And in your system it is a cable system to tie up the main centre with the set?

MR. FITZGIBBONS: No, this is a radiated signal we are proposing for the Kitimat thing.

MR. PORTER: Kitimat would be on wire. There is no reception in Kitimat at all.

THE CHAIRMAN: Is yours a policy of scrambling devices?

MR. PORTER: You can use it several ways.

MR. E.E. FITZGIBBONS: Perhaps I should say a few words to clarify this whole thing which might be confusing. Our system is primarily a broadcast system. We are only going into the



closed circuit operation knowing the present policy in Canada. We are going to go ahead and test it on a closed circuit but we want it on a broadcast basis.

THE CHAIRMAN: There is only one other thing I want to do and I want to do it while you are here. I have been approached by several people of the Quebec Theatre Owners Association, they are in the room at the moment. They did not indicate they wanted to make a submission in advance but they have handed me a short memorandum which I propose to put on the record while you are here. This is a memorandum from:

"We members of the Theatre Owners Association of Quebec Inc., as theatre owners and as private citizens object to any attempt to allow the fostering of pay as you see television in Canada.

As theatre owners we strongly deny that the TV medium can compare with a motion picture shown in a proper hall with good projection and sound.

A move to launch pay TV would quickly put to death an industry which is part of a Canadian way of life. It would also create certain hardships to the thousands who are gainfully employed in the movie industry in Canada.

Information can be supplied to debunk any of the advantages which emanate from the proponents of pay television.





"As private citizens we are definitely against any system to provide us with toll programmes which we are already getting free of charge.

For the average householder it is burden enough to purchase a television receiver let alone pay for using it.

Given the full facts about toll TV and what this would mean to the Canadian householder, we feel certain that mass objection would be the answer.

We also wish to advise the Commission that any attempt by promoters of toll TV to hoodwink the Canadian public with sugar coated promises of more culture, better programmes etc. via the slot machine will be met with the truth, and we will not hesitate to expend any amount of energy, time and whatever else is needed to prove our point.

Respectfully submitted  
(sgd) J. H. Strauss  
for the Theatre Owners  
Association"

Now - Since I am not permitting them to make a representation other than filing the document I don't think we will get into any debate about it. I would like to thank you for your presentation

EXHIBIT NO. 232 - Memorandum of Association  
des Proprietaires de Theatres du  
Quebec, Inc.







not need to file them as an exhibit; they are available for reference if need be and if we find you are referring specifically to them we can mark them later.

MR. LANDIS: Yes. My name is James M. Landis and for some five years or so I have acted as special counsel for Skiatron Electronics and Television Corporation of New York, dealing specifically with this problem of subscription television. I might also add, and I think this may have some bearing on what I have to say later, that for more than that length of time I have been counsel to seven or eight moving picture companies in other phases of the business, production, distribution, exhibition and many others. I think also this might be pertinent, our two companies that have been responsible for the introduction of a new motion picture process known as the Toddao process, did not only develop that process but were responsible for the production and distribution together with Rodgers and Hammerstein of the picture Oklahoma. We have other pictures scheduled in that process but I think that has a bearing on what I have to say later.

Skiatron has been concerned with subscription television for a number of years and for more than six years now it has been operating under an experimental license granted by the FCC in New York City over station WORTV. It has also carried on an experimental demonstration





for the public at large, this was, I think in 1953. It has also exhibited its system to all the members of the FCC and I might also note that one of its practical exhibitions along this line was a matter that our friend talked about this morning, namely he talked about the possibilities of a special exhibit to a special group of people; we did that for the benefit of the Academy of Medicine of New York and also with the benediction of the American Medical Society. The exhibition carried only in New York City and I will talk about it later because I think it has some elements in it that are relevant to our discussion. Therefore we are not dealing here with something on the drawing boards, we are dealing with an operational matter that is already in existence and frankly we are waiting the signal of the FCC to go into this business in a large commercial way.

I think it is desirable that I should sketch out the details very briefly of our operation because I think the social and economic implications attain an understanding of the basic technique of our operation. We code the signal transmitted at the television broadcasting station and that in turn is decoded at the receiving set; without the decoder it is there on the receiver set in scrambled form and the audio signals are completely unintelligible but on the receiving set is a decoder which, if you slip in the card that we provide with



the correct keys on it, it immediately clears up both the sound and visual angles of the transmission. The mechanism is very simple, a box about the size that you had on your table and a child can operate it and its practical effectiveness has been demonstrated. These cards, and I mention this also, are coded, they have a special design and have electronic codes on them and they unlock the decoder. They are distributed at monthly intervals or less if that is necessary. We have worked for some two years now with IBM in developing the card, developing the mechanisms for its distribution, developing the mechanism for the automatic billing of the customers. The customers pay only for what they use on the card and I think we have now conquered this very, very difficult technical matter of billing and distribution. One more word about the card, the card is the key and in our opinion it is fool proof for all practical purposes. We do admit that with highly expensive machinery and the like the code could be broken but the economic consequences of that would be so serious and so heavy as a practical matter that that type of petty larceny would not be effective.

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We have also developed costs with regard to this decoder operation. We feel sure it can be mass produced at about \$25, and if we add to that the UHF, which for technical reasons in the United States we want, it would bring the overall cost up to \$40; but, there is your mechanism -- there are no wires, no telephone system, no community antenna -- nothing of that type required. The decoding signal is sent over the wire just as the coding signal is, wherever it is a simple and economic operation, and what I want to turn to now is the economic and social consequences of a system of that nature.

THE CHAIRMAN: Just so that I understand it, this is a similar question to the one I asked Mr. Porter today: am I right in thinking that fundamentally, whether we are talking about the Zenith, the Telemeter method or the Skiatron method, they are all methods of doing the same thing?

MR. LANDIS: Fundamental methods of doing the same thing. I thought there was a little confusion this morning by the introduction of questions of community antenna.

THE CHAIRMAN: Yes, I was confused.

MR. LANDIS: But no such conception attended the kind of thing we are talking about. I am not trying to argue there is no place for that, but our system does not envisage that.

THE CHAIRMAN: But, in the same way as I asked both the other systems this morning, this is not necessarily the allocation on a full-time basis of a channel; it is something that can





be done for part of an operation of any particular station -- exactly that and more so.

MR. LANDIS: You can take the operating mechanism that we have and carry it in two port-manteaux to a telecasting station, and within a few hours attach it so that in the next broadcast, say, from nine o'clock to ten o'clock, you would be coding, and it is possible to do that on a station. Of course, you can leave it there, or take it away, or anything you wish. So, we can take any station and code it there at any station.

THE CHAIRMAN: Similar to the individual set in my home, with one of these little boxes attached to it and the necessary cards to go with it, and that would mean that if you were putting on a subscription programme from nine o'clock to ten o'clock this evening I could, by paying the necessary amount or charging up the necessary amount, get that programme, but if I did not choose to pay it my set would go black?

MR. LANDIS: It would be scrambled.

THE CHAIRMAN: Yes.

MR. LANDIS: Now, the overall economic significance of this system stems out of the fact that the television industry, certainly in the United States -- and I will have to confine my remarks largely to the United States, since I am not too familiar with your system here -- depends itself upon the advertising budget. That has been mentioned this morning. That very fact introduces limitations into the television



industry. I don't want to go over the ground that was gone over this morning, but I re-emphasize that it makes unavailable to the public a series of programmes which under other circumstances may be available. Mr. Porter this morning mentioned that from an advertising standpoint, the advertiser on the average could not pay more than 1-1/2 cents per family for his programme. I have used the figure seven-tenths of one cent; we are using the same figure because I have excluded from my figure time charges and transmission costs. Whether you code or whether you do not code, those things remain static -- that is, transmission is the same and line charges will be the same. It is the programming that is the significant item there, and that programme, according to CBS's statistics runs about seven-tenths of one cent per family. There is your limitation. It is a limitation which operates in two ways: first, it limits the cost of the programme; secondly, it requires that whenever programmes are put on they be the subject of a degree of mass appeal, otherwise you won't get the enormous audience that you need. At seven-tenths of one cent, if you have a programme that, we will say, costs \$50,000, you need an audience of seven million people in order to make that economical from the advertiser's standpoint. That is why these various programmes have been spoken of -- first-run movies -- opera, ballet, cultural and educational programmes, sports; that is why many of them are not available today on television;



movies, primarily, because of the cost. I think I know something about what movies can get on their first runs in Broadway, and in the other major cities. Oklahoma, which has been running at the Tivoli now for forty-nine weeks, has grossed over \$1,400,000, and that is a very high gross. Shane is the only one that has beaten it so far. The other great ones like Gone with the Wind, Best Years of Our Lives, they haven't hit that, but that is one city. If I take the twenty-one cities in which today Oklahoma is running -- and they have run the average period -- some of them only four weeks -- for instance, Montreal now is only about twelve or sixteen weeks -- somewhere around there.





THE CHAIRMAN :      The Best Years  
of our Lives?

MR. LANDIS : Yes - but that is  
one city.      If I took 24 cities in which  
Oklahoma is to run - and they run for periods,  
some of them only 4 weeks, - I think the Montreal  
one is nearly 12 weeks or 16 weeks or somewhere  
around there - the gross is therefore over  
\$4,000,000.      That is in fact, by the way,  
gross.      But you can see the programmes that the  
advertiser can bear just cannot compete with  
that situation.      The same thing is true in  
certain other fields - take programmes such as  
grand opera or the ballet -- the problem there  
is a problem which you have when you get less  
audience.      Grand opera has appeal to a  
selected number of people - not like variety  
entertainment or sports, which create a different  
problem.

Of course important sports events  
which are televised affect the box office  
a great deal, and that is why, for example,  
the heavyweight boxing championship is never televised  
and that is also why the Braves of Milwaukee never  
televises any of their home games.

The effect on the box office is not  
compensated for by the revenue you get from  
television.      There is in the theatres, a  
development though, which I think may have some



important implications. Today in the United States, some 90 theatres are equipped with television. For example, if you have a heavyweight championship, instead of selling that to the television networks as a whole you just sell them to the television theatre network.

Actually the figures would indicate that the revenues available by that system - through theatre television - exceeded those that were normally possible through the television industry as a whole.

THE CHAIRMAN : May I ask you about this theatre television - so-called. Is this really television at all? What I mean is this, is it carried by television channel waves or is it actually run by a community antenna or what ?

MR. LANDIS : It is like a community antenna system as opposed to the circuit operation.

THE CHAIRMAN: I was thinking of this - it doesn't require the application of a television channel ?

MR. LANDIS : That is right.

THE CHAIRMAN : So that in that sense it is not television at all?

MR. LANDIS : No - it is not television at all. There is the nub of the issue. Before getting to an example of that, I would like to deal with a few of the myths that have been attached to



this subscription television scheme.

One of them is the assumption that if you permit subscription television, pretty soon, what was free on the air, would be charged for. I know of nothing that is farther from the facts than that.

What we are seeking to do is to utilize the channels and the frequencies that are not being utilized at the present time. In the United States we have only one quarter of the existing frequencies that are being utilized and the economics of the advertiser-sponsored television is, as Mr. Porter told you today, about 6,000,000. The utmost being used would be one third of these frequencies and I know for a fact of places in the United States where all the channels and frequencies are not being utilized. New York City, for example, has three frequencies that are available and which are not utilized at the present time.

THE CHAIRMAN : Are you talking now about UHF?

MR. LANDIS : UHF and VHF.

THE CHAIRMAN : And VHF.

MR. LANDIS: And VHF, because the system is equally adaptable and that leads me to an observation with regard to something that was said here this morning in which, I think, you exhibited quite a bit of interest. That was the





idea that you could use one channel for two broadcasts, and, as Mr. Porter said, this is still in the laboratory stage.

However, we are wise enough to know that things move out of the laboratory stage and become realities before you know it.

Still, it is not important because you have those frequencies available - you don't need them. It should not be regarded as an asset but should also not be regarded as a barrier to the introduction of subscription television because you have unused frequencies at the present time, and the utilization of these frequencies will not black out areas. I think that this kind of myth should be dispelled.

Where the opposition of the networks centres itself, and I think I have a point here, it centres itself and it appears to me that this is perhaps the central tragedy of life, that the day is only 24 hours long. It is a competition for time, it is not a competition for frequencies in which you are involved - it is a competition for time. The networks themselves are afraid of losing some of their audience to somewhere else or having a fractionalization of their audience by having specialized groups drawn away from the normal group who otherwise would be listening to "I love Lucy" or something like that. That is



what they are afraid of, the other type of competition - not the charge that we would black out areas that are now free.

This leads me to another opposition about which we were speaking and that is the opposition of the movie exhibitors to this, which are organized in the United States and I can see from this morning, that there are probably some organizations going on here in Canada. I can understand that opposition, but I cannot appreciate it. As I read through the arguments, I believe that what they are afraid of is competition with movies through home entertainments. In other words if they could have it arranged, they would like to see the government regulate people against playing bridge or having dinner parties so as to force them to go to the movies. It is not social at all - that argument, except insofar as one naturally worries over the general obsolescence of the movie in this evolutionary industry. Of course, it is a problem, but, as a social problem, it seems to me to have very little merit.

Let me turn now to the economic basis of subscription television as distinct from the economic basis of the ordinary television industry. I mentioned that for \$50,000 - at seven tenths of a cent per household for a \$50,000 programme, you would have to have an audience of 7,000,000 people. If, on the other hand,



people were paying one dollar for the programme say, you would get the equivalent revenue out of an audience of only 140,000 people.

There is the key to the flexibility of the system of television - mass audiences are not necessary; if it is an economic function it is an economic survival. With respect to ballet and opera, for example, I am sure that in New York City, by way of illustration, you could get an audience of 100,000 households; for opera we wouldn't guarantee 7,000,000 but with 100,000 for opera, we will say at \$1.50, that would give you the force behind it which might sustain it. In fact, with that specialized appeal it is possible to appeal to specialized audiences and thereby the system has a very important social as well as economic attribute.

Coming back now to a subject I mentioned a while ago, our programme outlets, what we did in New York was this. We had an hour's scrambled television, or a programme of half an hour, which was given to a recent discovery by one of the most eminent doctors with advanced knowledge in a particular field, followed by an abdominal operation. Well to be frank, we knew that the appeal would be limited. However, with the help of the Medical Association, we were able to arrange it that this was covered - hospital by hospital - where the doctors could go and witness this thing





transmitted generally over WOR. Now, you say, why can't this sort of thing be done in the ordinary television industry?

Well, there are only 2,000 doctors in New York and there is a very great query as to whether 2,000 doctors - even with a pharmaceutical background - would support, week after week, after week, a programme of that nature, whose interest is confined to that group of 20,000. Your listening ratio of that 20,000 might average 35 per cent.

You would have to get your revenue out of that group in order to maintain a programme of that type.

Secondly, ordinary people don't want to have an abdominal operation screened into their homes. On the other hand, the importance of bringing these new techniques to the medical profession is of enormous significance. If you distribute your de-coding device to professional people, just as you limit subscriptions to channels, you succeed in confining that type of programme and they should benefit thereby. The National Acadamey of Medicine was so impressed that they went out of their way to support us, and in fact are supporting us in our petition which is now before the Federal Communications Commission.

In this connection I believe that you could even get economically sound programmes of



differing calibres over the air. I don't know, I studied this when I was in college, or university but ---

THE CHAIRMAN : The answer is to spend a year as a mathematician.

MR. LANDIS : Yes. However, subscription television is needed and it is one of the most important aspects of this whole medium, in my opinion.

Now you raised the question this morning Mr. Chairman, and very rightly, that the economic impulse of anyone is to try and make as much money as they can out of the operation of any particular system or device, which he may possess.

Why then, in the field of subscription television, would there not be an effort to constantly go forward financially, and why wouldn't you just have subscription television proffering substantially the same fare, or even a little better, than the audiences can see themselves through other media? This is a question which in my opinion deserves an answer. I think there are several factors which ought to be considered in shaping that answer - one is the existence of entertainment of that type, which also has mass-appeal.

I doubt whether there is too much of this type of programme. We produce in the United



States, not in excess of some, I think, eighty five motion pictures, so-called, of first class quality. I would say of these hardly 20 to 30 would be of the type that really would attract any mass audience.

For instance, in a case like "War and Peace" or "Tea and Sympathy" or "Oklahoma" - pictures of that type quite possibly have a considerable mass-appeal, for which you could get an appropriate price. However, many of the so-called theatre films, I doubt very much would fall into that category. Furthermore, there are not too many of them. Sports events have a value, which I call the value of "contemporaneity". They are rather useless to look at if you know what the result is going to be - I wouldn't walk across the street to see a movie on a ball-game if I already knew the answer to it.

So then, in spite of that, there is that other quality that so apparent, which the sports events mainly possess, and you may get quite a bit out of sports events. There are not too many heavy-weight boxing championships a year, and baseball games today are judicially free, but how long are they going to maintain that idea? That is a real source of worry when you start looking at the situation as to whether the baseball





championships will continue to be possible to televise. Baseball itself is extremely worried about the economics of television so far as it is concerned.

As you know, in the professional football field, there are regional black-outs. the NAC - the National Amateur Collegiate Association, has had a complicated problem in the impact of television on the box office - not necessarily the televised programme, but the box office in respect to non-televised programmes, particularly true also in the field of baseball, where the minor leagues have suffered tremendously as a result of television.

In the first place, there is the number of hours which can be occupied by events of that type, which are limited. Secondly, there is the limit on the budget. You have a great number of hours which would be available for the type of specialized programme that I have been talking about - I think that type of specialized programme will occupy the majority of time that can be occupied by subscription programmes.

True, great profits won't be there, but enough should be there to keep you in the black instead of operating in the red, and surely, any outfit that can keep itself in the black should continue in this industry.



THE CHAIRMAN : I had a conversation with Mr. Porter this morning using the illustration of Kingston, Ontario, where there were 100 people who wanted to look at grand opera and 10,000 people who wanted to look at the variety show. I deliberately took the figure of 100 compared to 10,000 to make it an extreme example. I think I inadvertently left out one factor, however, which I now recognize, which is the fact that you can charge, not necessarily \$1.00 for the opera; you can charge several times more than the cost of the admission fee, so to speak, on the smaller appeal type of thing. If it is good in comparison with the variety, that is.

I think that my question would nearly come to this -- whether, looking at it from a social and economic development point of view, both in your country and mine, is not the pressure, so to speak, in the seeking of the mass market to reach out from the mass market at a low level, which is one of the great features of both our countries --

MR. LANDIS : Yes.

THE CHAIRMAN : -- therefore, I would raise the issue, which is a more refined version of this, that there would still be an economic pressure towards the mass appeal, which you say is limited by the fact that there is never



... of ... for this sort of  
programme and so much ability to provide this  
type of programme.





MR. LANDIS: That is true now. Now to go to your illustration of the 10,000 people interested in the variety show and 100 people in the opera, if there are 10,000 that would like a variety show, you can supply that 10,000 with a variety show at 7/10ths of a cent. In other words, in this medium, the competition I would move into, if I tried to operate a subscription television system in that variety field I have a chance here to make money whereas I might lose my shirt in the other direction. We have, naturally, considerable data available on the question of how the public would react to a price to be paid for programmes of this type. There are, I won't say hundreds, but literally 10's of surveys made of various communities in the United States and almost uniformly the results frequently indicate this should be an economic operation. I might call your attention to one of the most recent surveys made by the Politz Research outfit and the result of which was published in Look last June. To get the figures right, there they say 19,700,000 persons over 15 years of age would be willing to pay \$1 for a world series game and that 16,250,000 would pay \$1 to see heavyweight boxing. That is on the basis you have to recognize of 35 million to 40 million, it is over 35 million and not quite 40 million yet television sets in the country as a whole. The listening ratios of these programmes seems to be heavy enough to justify the entry of



a system of that nature into the television field. I have tried, myself, to think what the reaction will, from a governmental standpoint, what the risks are. What are the risks I would run? To me the risks are rather thin. There is the potential risk of cutting down some of the audiences available for free television. I have to admit there is some risk there and further that, perhaps, the advertisers would not be willing to pay quite the prices they are willing to pay today for television. It seems to me I have to remember that the introduction of new programmes may appeal to a lot of audience that does not exist at the present time. It is a matter of guess work and you cannot be too sure about it. Of course, my own experiences in the field of aviation -- the question was whether you could cut rates and still keep going or keep passenger traffic high and so on, but everything worked out all right. Whether or not the existing television audience would outweigh the other, I don't know. That is one risk. Of course, you run the risk of cutting somewhat into the movies. Perhaps a little more than is being cut into at the present time, but that problem is going to be there anyway. Today the normal movie fare has to be tempting, whether black and white or colour, and probably it will have to compete in a short while with colour. As a



matter of fact, the movie audiences have become much less than they were ten years ago. Ten years ago people went to the movies habitually every Wednesday or Thursday night and now they go to see a particular picture. And the results of that on the movie industry have already taken their toll, particularly of the lower run houses -- not so much in the first neighbourhoods but down the line they have taken their toll. On the movie side, one seeks to give an answer and the answer we have been working on, the type of presentation in the movie house would have to be something impossible on the TV screen, so the future, as I see it, of moviedom is not in the suppression of it or the suppression of subscription television but in the imaginative curve of ways and means of presenting movies to far outweigh the ways and means with which they can be presented on television.

THE CHAIRMAN: May I ask you a question which may be completely irrelevant to the main point here but is the technique of movie making for a theatre essentially the same as the technique of movie making for television screens, usually?

MR. LANDIS: No, it is not, and of course it is a lot in the amount of money you put into it.

THE CHAIRMAN: That was not my question, I was talking actually of the physical technique.

MR. LANDIS: I am sorry, I would agree with you that a different technique has gotten into





movies for the theatre than those made specially for television.

THE CHAIRMAN: I ran into it somewhere, it may have been in a brief, while theoretically your angle of vision is the same as if you sit in the back row of a movie theatre, sitting back looking at a 30-foot screen, or if you sit looking 10 feet away at a 24-inch screen, there is something else happens. There is something more than the mathematics of this thing and I think it was put this way -- that the job of the television screen is to be something much more analagous to the home play than it is to the home movie and it leads to all kinds of things, such as a different number of breaks per half hour in your picture sequence. A different use of the close-up which, if you get it on a 35-foot screen, the close-up becomes almost overpowering whereas you don't have the same problem on the close-up on the television screen. It seems to me that is what Mr. Porter was saying and Mr. Fitzgibbons, about the transferring from movie to the television screen. Now, is it a different kind of movie that will be needed for the television screen?

MR. LANDIS: I will put it this way. There is a different kind of movie needed for the movie screen. By that I mean this. If I may detail my own personal experience along this line, in the production of movies like Oklahoma, instead of the angle of vision, you take your eye and what is photographed there



in the ordinary movie it is between 30 and 35 degrees, but in cinemascope they push that up to around 50 or 60 degrees and in Oklahoma it is 78 degrees. We do sometimes in "bug-eye" shoot off 128 degrees. What you shoot is like that, (indicating) in that narrow portion. Of course that makes a terrific difference. You have to rebuild your sets completely when you are shooting at 128 degrees.

THE CHAIRMAN: When you take your 128-degree sequences on down to 24 inches what do you have left on the screen?

MR. LANDIS: That is different. You cannot get the effect of this broad shooting on a 24-inch screen to give it a spherical sense it wouldn't ordinarily possess in life and that one sees when you are young.

THE CHAIRMAN: This is a side line, Mr. Landis, and we won't take too much time with that.

MR. LANDIS: I have never had the illusion that this is not an important question. To me, the television industry is a terribly significant social factor in our lives and I have spent many years of my life in it. I am sensitive to the possibilities of a thing of this nature and the effect it could have on people's minds. I don't want to under-emphasize the significance and development of the television industry as a whole. I believe that we have somewhat of a parallel here that we have



in the development of the arts originally and the development of television. And it has been substantially so over the centuries. We recall Virgil and we recall Dr. Johnston's efforts to get his dictionary subsidized and it was not until printing really became cheap and education became general that the arts were enabled to stand on their own legs. We have something of that same significance in television today. It is either subsidized by the government or by the advertising industry. I think the thing would be healthier if it stood on its own feet as against advertising and sponsorship.

We are now investigating the dominance that both the networks and the advertising industry exercises over television programmes. In the United States we are working on it. Here the dominating thing, the thing that would dominate, as to what kind of programmes that are developed, is the public. The public holds the whip just as the public holds the whip today for the theatre, the ballet, movies and everything. There must be available free movement and gathering places for people who struggle and produce and they must know they can go and not be kept there while struggling is going on. This is not said in derogation. They have done an enormous amount with the limitation but we cannot ignore those limitations. They exist. And here is the first as I see it. The first effect I have seen of





government subsidy itself, is trying to keep the industry from the effects of parasitic subsidization of some other industry. Like other entertainment fields it must have the ability to sell itself to the public. I am not wise enough or learned enough to point out to you how it affects and can be fitted into the Canadian picture. I believe it has a place. I think you people know the local situation so if you know what the instrumentality is you may find it has a role to play in the development of your television industry in Canada.



Well, that is my story and I am sure that I express my own thanks and the thanks of Skiatron for this opportunity to present it to you.

THE CHAIRMAN: Do you mind if we ask you a few questions?

MR. LANDIS: Oh, certainly.

THE CHAIRMAN: My main question is one that I have not worked out and I am in danger of making it sound in the way I do not mean it to sound. This is something that I think you would see very quickly if you happen to follow some of the sub-missions we have had to this Commission. I am going to venture to do it and I hope I will not be misunderstood at all. One of the basic problems that we have and it has been brought before us in many briefs, has been the problem of preserving our national identity in Canada. We are a smallish country beside a very rich and powerful and friendly country and I think it is fair to say it is the overwhelming view of Canadians and perhaps increasingly so, that they want to remain Canadian. We do now get a great flood of your magazines in here, we get -- perhaps I should have said this when Mr. Porter and Mr. Fitzgibbons were here -- an almost complete flow of supply of your moving pictures. In a host of other ways we are subject to what you might call your cultural influence and there is a great deal in that stream which is extremely valuable to us. However, the problem is to preserve our own identity as a nation, to resist being taken over in the mind, even if we remain not taken over in the political sense.



Now, I do not know whether this has any application at all to this but here we have three American schemes for subscription television discussed today and obviously you have not come up here representing the different companies interested in this except with the idea that you would like to see it adopted in Canada. That is perfectly right and proper but suppose that were so, any one of the three or all three in different places in Canada and so on, to what extent does the adoption of this thing involve really what amounts to determination in the United States of our television programme fare on subscription television if we do it? I hope I have not suggested any criticism of the United States for whom I have a great admiration; we appreciate so much what we get from your country but this is our problem.

MR. LANDIS: I am not unfamiliar with your problem because you have that same problem in the educational field where you have developed your educational institutions independently from the United States. You must remember this that we who are advocating, we are not here to sell any programme at any time, what we are advocating is that we have in this device an ability and we can give you an ability on your part to produce programmes whether you buy them from the United States or produce them of your own accord and make them economically feasible without requiring the type of mass audience that





advertised, sponsored programmes demand. Now, I gather that one reason back of the Canadian Broadcasting Corporation and your policy that you follow here in Canada was to preserve your independence as against the pressure from below the border.

THE CHAIRMAN: No doubt at all.

MR. LANDIS: I think it is a wise thing. Then, this I think would strengthen your position, could strengthen your position. I am sure that with any subsidy programme undertaken by any government at times the burden becomes very heavy and if there is any method of relieving those burdens and yet get the original subsidy that was intended to get that would be acceptable. I think what we do is offer you an opportunity of that type by the use of the license.

THE CHAIRMAN: I might read to you from a brief we had earlier this week which says:

"The next point is the high degree of dependence of our national existence upon radio and television. It is conceivable that Canada could still continue to exist if, instead of taking the train at Montreal and going right through to Winnipeg north of the Lakes, the passenger took the train at Montreal, went on through to Chicago, and thence up to Winnipeg.



"But there is a realm more subtle and probably more important than the physical realm of railways, and it is that of ideas."

It goes on to the effect that if all the ideas as in movie making are aimed into Canada from the United States they may be perfectly excellent pictures reflecting the American life but they do not reflect the Canadian way of life. Now, really what my question is is this; is the adoption of the device whether it is yours or any one of the other two analogous to us buying, as we no doubt do now, a broadcasting machine or a broadcasting receiving set? In other words, a straight mechanical purchase which does not carry with it any implication for the programme content?

MR. LANDIS: I think that is true. I would strike the analogy of Canada in the earlier days in respect to the automobile; first the automobile was made in the United States and then you started to develop your own and that is where something is being offered.

COMMISSIONER STEWART: You are offering a mechanical device rather than a programme, is that not right.

MR. LANDIS: That is right.

COMMISSIONER STEWART: You are offering a mechanical device?

MR. LANDIS: Yes.

COMMISSIONER STEWART: We have our own



choice, ideas put through that device, any thoughts or ideas we may have on programme content?

MR. LANDIS: That is right.

COMMISSIONER STEWART: But the problem that I see, Mr. Landis, is one peculiar to ourselves because of the manner in which our Broadcasting Act is written. The Act states quite clearly that the Corporation, the CBC, shall carry on a national broadcasting service within Canada and for that purpose may do a lot of things. Now, the Act itself has never spelled out the nature of the programmes that should be put over the air but by reason of recommendations of Royal Commissions who have sat before this one and parliamentary committees, suggestions have gone out as to what the CBC have tried to accomplish and they talk about a balanced fare and an element, a very heavy element of culture and serious programmes on the air. The public have become accustomed to it and we have in a country like this naturally heard quite a bit about one programme in particular, Farm Forum. There is a programme that has a specific audience in the rural communities and I should think that we would have a revolution in this country if we ever tried to put that on subscription television. On the other hand, the subscription television and I may be entirely wrong in this, seems to lend itself to the more entertainment





kind of programme, one that would draw a mass audience and in doing that we may be detracting from those other serious programmes which the government in its wisdom or otherwise seems to think it is necessary for our well being in this country. That is the struggle I am having in my mind. Now, regarding its effect on the programming and on the audience that we have, because I do not know whether you agree with Mr. Fitzgibbons when he said this morning that the bulk of the programming as he visualizes it would be the better class movies that would naturally have an appeal the like of which Farm Forum does not have.

MR. LANDIS: I would definitely disagree on that particular point. You see, I have had some experience with educational television in the United States and we have our difficulties that way, as you may know; there is no revenue coming in so that becomes a complete subsidy programme and it is very difficult to maintain a high-class programme without charging fees. Now, here is a method by which you can charge a fee and you can get a certain revenue out of running an educational programme. I am not thinking now necessarily in strict educational formula programmes. I regard, for instance, a series of plays stretching from Shakespeare all the way down to Shaw, not the Broadway type of thing but the thing I used



to see in the community theatres that do not exist now. I can see many groups paying for a regular presentation on a series of these plays, once every two weeks or once every month. I would like to see some of Sheridan I have never seen before; I would like to see some of Ibsen and I think with that type of programme you could get a sufficient paying audience to make it worth while to put it on television.

COMMISSIONER STEWART: Well, let us come closer to your home, National Broadcasting and Columbia put on quite a number of sustaining shows, shows of a serious nature that would not interest a sponsor, do you think under this subscription television that that would continue in those two networks?

MR. LANDIS: I think it would because --

COMMISSIONER STEWART: Would it? I am asking you to draw on imagination now and give me the benefit of your knowledge of the American people; would such programmes as those sustaining programmes, as we call them, be put on free or would you think that after the introduction of these mechanical devices they would go in under subscription television?

MR. LANDIS: I would like to answer your question this way; I might have some worry as to whether or not these things like Richard III would be on pay-as-you-see -- I mean on free television. On the other hand, if you take the public interest



programmes that the networks now put on, one of their chief reasons for putting them on is that you and I write to the stations and they build up listener interest which is such that at 9 o'clock they have a sponsored programme and they have an audience. Now, it would seem to me exactly the same pressures would be brought on subscription television.

THE CHAIRMAN: They will still have to try to hold their audience on the sets --

MR. LANDIS: That is right.

COMMISSIONER STEWART: Getting down to engineering, you are putting on a programme for half an hour and it is followed by a programme of an hour content, the device is such that you are required to pay the extra --

THE CHAIRMAN: You would have to punch your card.





COMMISSIONER STEWART: It is done through this electronic device?

MR. LANDIS: Yes, and at the end of the month those cards would be run through a machine and you would get a bill for the programmes you had used.

THE CHAIRMAN: You used the phrase some time ago -- and I don't know that it is fair to ask you this -- but the general suggestion is that the public gets what it wants in programmes. This has come up several times in our hearings, and questions have been raised about how in the field of a semi-monopoly, or a quasi semi-monopoly, as this broadcasting game is, the public does, in fact, exercise its choice; how it reflects itself into the choice made for the programmes. All this is a long way from pay-as-you-go television, but I know you have worked in this field for a long time and seen the consequences. Have you any comments to make on that general problem?

MR. LANDIS: Yes, I would say this, that given the ability and given the reliance of an industry -- the public relates the price it pays to what it gets. The public will, generally speaking, determine the quality. Of course, it is guided here and there by people who are always trying to educate the public, but the trends are obvious. For example, in the movie industry if the movie producer -- and many of them do think the same -- thinks the public is interested in gangsterism, you will see a series of gangster films; and then, perhaps, race discrimination, and



you see a series of that, and then they die, but they will always try very hard to hit the public desire. You don't have the experience you have in the television field, where the prime objective is to sell soap or cosmetics or cigarettes, or something of that type, and the programme is related to the prime objective. In the other case the prime objective is to get as many people as you can interested in the programme for the programme's sake, and it may be you will beam your programme only at a limited group because you know you can get that group. You don't know what cigarettes they smoke or what cosmetics they use, but you do care whether they like ballet or not. The same thing happens when you produce shows: you always beam your programme or show to a group of people who you think will have a definite interest in the kind of thing you want to show on the screen. That is what I mean by the validity of the public determination of the content of programmes. I think even in a government operation you tend to take those little things into consideration, otherwise you get a kickback from the taxpayer if he thinks it is something that does not justify taxes.

THE CHAIRMAN: The actual point I was trying to get at is this: the advertising support for a programme, or indeed the willingness of the individual person to pay with a coin in the slot, or punch a card, to select a programme depends upon that programme having some known and established



appeal. We had some evidence from one witness here, quite experienced along the line, who put it in blunt terms: you can't give the public what it wants because the public may want something tomorrow if it only knew about it and was exposed to it. We had one example even in the field of sports, and this was an English example where apparently the BBC had undertaken to start a series of programmes giving what he called show jumping -- horses jumping -- which, if you had canvassed the British people at that time, either by way of a Gallup poll type of thing or subscription television type of thing, to see if they wanted to put money out for it, there probably would have been nearly a one hundred per cent "no." But it is now one of the most popular things BBC does, and where there is a taste developed -- tastes do develop when they are exposed. In a less particular way we have had some evidence in our Commission on the same kind of thing we have done in the realm of good music in various places in Canada, where by relatively small amortization of public funds the whole standard of musical taste and musical appetite has been raised. If you have a system such as we have at the moment where you have in our case a government body attempting to anticipate and develop tastes, you gradually see these things happen, but if it depends upon subscription, in whatever form, it depends upon the known appetites of the moment -- the existing appetites.

MR. LANDIS: But isn't that the kind of merchandising problem nearly everybody faces







who introduces a new product? If I have a new mousetrap I can't expect it to be mass produced until I have convinced people that I have something that is really worthwhile.

THE CHAIRMAN: I agree the old mousetrap idea in the centre of the forest has gone, but isn't the tendency of subscription television, since it depends on the set owner's willingness to check himself in on the system, to necessarily cater to existing appetites?

MR. LANDIS: No, I wouldn't say necessarily. It can develop the existing appetites. At the start it may have to give those things away and get you to like them, and then when you have got to that point we can say, "Now we are going to get those things to you". That seems to me to be the general merchandizing problem that you have, and it doesn't necessarily mean life is static.

COMMISSIONER STEWART: On the same line, but from a somewhat different angle, would you say that the sponsor of a programme, as we know in television today, has a sort of indirect influence on the programme content? In fact, you produce a show and he says, "I won't bother with that because I don't think the public would like it, but if you give me this kind of show, I will go for it." Do you feel there is an indirect influence exerted by the sponsor?

MR. LANDIS: I think you will find that before the Congressional Committees there has been plenty to indicate that it has not been merely



indirect; it is direct.

COMMISSIONER STEWART: The testimony we have had seems to indicate a much more indirect approach.

MR. LANDIS: I recall one incident that was testified to that concerned a programme in which General Brant was pictured as something of a hero, and the sponsor said, "That will never do. This is a national programme. We will have to go to the south of the Mason-Dixon line, and we can't have that."

THE CHAIRMAN: Let me ask you one small technical question which is very close to what we have been talking about: Is it on your device possible for you to put out a programme which will be offered free to the viewer? In other words, is there a zero price you can charge?

MR. LANDIS: Oh, yes, there is no question about that. There is nothing to do; all you need to do is not use the device when it is being broadcast from exactly the same station.

COMMISSIONER STEWART: And you also visualize, I take it, that this subscription television, for the time being, will only be used for a certain portion of the day?

MR. LANDIS: Oh, we haven't even requested full time, by any means. We have limited it because we know we can't fill it. I might mention one other thing that may have some bearing on your problem: you can regionalize the panel. In other words, I am doing a programme,



say, a boxing match, where the competition in the arena is in the New York City area, and because of that competition I can get the New York City area, but when I get up to Buffalo it will go free; it does not need to be coded there. The coding is done at the station and it will be transmitted without being coded up to Buffalo, and can be distributed free of charge, so in buying that programme I have a flexibility in the purchase of that programme which is quite different from the situation when the only way I can transmit the programme is free. I think it is worth while to recognize the kind of checker-board pattern that can be evolved.

COMMISSIONER STEWART: There is considerable flexibility?

MR. LANDIS: Yes.

THE CHAIRMAN: May I ask the same question as I asked this morning: supposing for the sake of argument we were to reach a conclusion that subscription television was a good idea and might well be tried out: we have three proponents in three different schemes here today, obviously. This test here is not going to determine whether this one or that one is best, is it? Really what would be required in our setup legally to open the door to us, assuming it was a good idea; is it a matter of simply making it a legal possibility and then each of the three schemes, or anybody else, compete for the right, and you may be in some stations, and Zenith in another, and the other one in another set of stations.





MR. LANDIS: You have touched on one of the real tough problems in this field. I wouldn't like to see a situation develop where with regard to, say, Toronto, New York, or wherever you wish, I have to buy three different types of programme in order to decode and scramble. I would not like to see that happen, and I don't think it will happen. Something of that type may happen right at the start. I recall in the movie field when the sound came in there were three different sounds, and gradually standardization took place there. We are having that same problem right now in the motion picture industry. There is the 70 mm process and the 35 mm. We realize that perhaps for a long time we could not produce enough movies in this type of thing to justify buying your own machines and then having to shift to other machines because you had to go back to 35 mm. film.



We realized at the start and perhaps for a long time, that we didn't have, or we couldn't produce, enough movies in this type of area to justify a movie picture man going and buying new machines and then having to shift and install those machines, because you had to go back to 35 mm films, so, at the start, we insisted that these machines must be built so as to handle 70 mm and 35 mm and they must be able to handle all-channel-sound, six-channel-sound, cinemascope-sound, normal sound and opera sound, and that they be all-purpose machines, so that, if you wanted to run a normal 35 mm, say, before you approached the 70 mm, you switched right from one to the other.

If you had to go to say cinemascope, you shift to cinemascope, without any installation charge or anything of that nature. We have to advance in our mutual exchange of information and in our drive towards getting a national operation, to solve this problem at the present time.

I believe that the Federal Communications Commission is concerned with it, and I believe there is room for a series of industries in this field, just as there is room for different manufacturers of television sets - Admiral or Zenith or whatever you wish.

I can see that this problem has to be solved, but I do believe that in considering all the things



that we have solved in many other industries, in television as well as the film industry, we can solve this problem, and the competitive problems between the companies who are in this field and the competition such as you have between many distributors of the movies, are a good example of this.

Why does one man prefer to have, say, a movie distributed by United Artists instead of Universal; because he can get more as a result of distribution by one than the other.

It is the distribution scheme that is the thing, essentially, but I don't think that the distribution scheme should cost the public or that the public should have to bear the cost that I was talking about - of having three systems, the necessity of three systems.

THE CHAIRMAN : I think my question really was and perhaps I can put this more easily in the light of the explanation you have just made -- does the governmental or legislation plan in Canada require in effect a grant of some kind of franchise to Skiatron or Zenith or Telemeter?

MR. LANDIS : No - it does not. Very definitely it does not require that. Actually we could get into operation in the U.S. if the Federal Communications Commission would permit the sending out of codings. That is all we need,





although we might run into certain difficulties, unless the Federal Communications Commission was a little wiser and also provided certain standards that should be met by the various companies entering into that field, but once they would do that, prescribe these standards, then there is no franchise which is necessary.

THE CHAIRMAN : It is not like the old days in the telephone system?

MR. LANDIS : In fact, I am sure by the line of questions that have been asked of us by the Federal Communications Commission that they are very intent upon not seeing it developed in that field, and will require a considerable degree of standards.

MR. COMMISSIONER TURCOTTE : You said a moment ago, Mr. Landis, that the de-coder could be mass-produced possibly, for \$25, but, do you propose to sell it to the subscriber or rent it to him?

MR. LANDIS : We have considered that question at very great length, both ways, whether it should be a leasing arrangement or on a purchasing basis, and our conclusions are that the wisest thing is that it would be better that it should be purchased, for this reason: It is unlike the telephone system, where it is really a monopoly to begin with, and you want to



retain in a sense, the monopolistic control over both the manufacture and distribution in the telephone industry.

Here you don't. We would love to have these de-coders manufactured by one hundred manufacturers. We would love to have them built right into the sets that you buy. We are not going to make money out of these de-coders. We will make money out of the distribution programmes and the distribution system -- well not out of the programmes, someone else will make that, but out of the private system of distribution just as MGM or Paramount or anyone else makes anywhere from 15 to 30 per cent out of the distribution of film. Not the production, but the distribution.

One thing in this distribution system is that we would have outfits with people creating the coded columns and the supervision all along the line, that is what we would do.

MR. COMMISSIONER TURCOTTE : You sell these to the subscriber who is in a sense, your client, and then you refer to the de-coding cards and you supervise them, but, do you think that the television station that is using these cards would also be using some programmes which you are not producing and in which you are not interested at all?

You still however remain in business to the extent that you keeping on advising your



subscriber on the way he should operate, you sort of manage his affairs, by having the coded card every month.

What I would like to know is, do you do that, or is that done by the television station itself.

MR. LANDIS : We do that.

MR. COMMISSIONER TURCOTTE: Oh I see. You do it. You deal with this television station?

MR. LANDIS : Yes, the television station can't run our distribution system. We will see that so much percentage of the gross is received, just as if you had produced a picture in the same way as United Artists and you distributed it at  $22\frac{1}{2}$  per cent of the gross. They don't do the distribution, they don't finance the picture or have anything to do with it. Of course they could refuse to distribute your picture because it is so poor that they can't see that they can do a good job, but that is our function.

THE CHAIRMAN : I would like to say - though I understand that point which you have just raised - supposing the necessary legislative permit were granted for scrambling of television messages, by, let us take a private station in London, Ontario, and the producer and sponsor were prepared and able to make a deal





with the manager and owner of the private station in London, he is now hooked into our national network - he is getting certain programmes and he has certain times in the day that are free. What do you do in relation to that ?

MR. LANDIS : What we do is this, first we would see that the de-coding was provided in Ontario. We cannot sell those de-coders to the public there, unless we would have a bill of fare that would make it worth while for them to buy. So we have to get some programmes - we don't necessarily have them, but some that we know we have in our pockets and can distribute at that particular time.

Naturally, you may have made a deal with the television station to go on on Thursday - from 8 to 9 - and then we produce the cards and distribute these and of course, we will have to educate a television service repair man to instal this service, and all that kind of thing, and then we will distribute the cards, collect the cards, bill the customers, return the revenue to the television station which, in turn, would split so much with the producer, who would retain so much on his own account and pay so much for our services.

MR. COMMISSIONER TURCOTTE : You mean



then that you act at the beginning of the thing as a liaison with that particular television station to ensure a fair supply of programmes at least for a period until that station is in a position to secure its own programmes - which of course it may, incidentally, never be able to do?

MR. LANDIS : Well, once we get the thing started and people realize that we have a much better method of distribution, than any other method, then you will see the producer will come to us and say "I have a show, and I have a good show - will you take it on, and distribute it for us". Well, when that is the case we will have to deal with the television station on time and we have of course to watch our other commitments, so as to fit in to an appropriate place, but, where we have to start the thing of our own accord, we hope, later on, that the very existence of the distribution scheme is such that it will go on of its own momentum.

I might give you an illustration on this point, on which I am actively at work now, and that is in introducing this new process in movies, we had a big responsibility in financing it; Oklahoma was quite a job, \$200,000; and if this is a successful means of distributing a picture, and we hope it will be, we expect to and we have



already lined up other productions.

But now, the producers from outside are beginning to realize that this is the best thing artistically - better than theirs, for making money, even considering the increased costs of production.

We also believe our returns are likely to be better if we go through the longer system.

Unless we succeed in doing this effectively, I suppose it will be a flop. You have to start these things gradually at first, and demonstrate its utility all along the line and then the producer will come and knock at your door, - you won't have to go to him.

THE CHAIRMAN : We have heard a great deal and it is actually in our terms of reference, of the necessity of providing a fair amount of Canadian content in our programmes, for the reasons which you outlined a few minutes ago.

This is a function of radio and television which particularly preserves a national identity and so on. Take your London situation, would it be very likely that subscription television programmes would be supplied or tend to be more easily supplied from the United States, as, if you like, an extra run for Canada? Or would there be a greater pressure for more ability and ease to produce Canadian programmes ?





MR. LANDIS : I think the latter would be the case because I assume that when you have a U.S. programme you have to have it produced primarily on the mass basis for mass audiences. It is not the same when you are dealing with a limited audience. Now consider the disproportion of the population in the United States as compared with the population in Canada.

Naturally , Hollywood is more influenced by the population of the United States than that of Canada in its production, but if you wish to go into Canada with a Canadian product, it seems to me that the chances of the Canadian product coming on to television are greater.

THE CHAIRMAN : The reason is that this may be a device for getting over the disabilities from which we suffer in connection with the smallness of our markets.

MR. LANDIS: Yes, very definitely.

THE CHAIRMAN: It has been very interesting Mr. Landis, and we do appreciate your coming up here and we are most grateful to you.

MR. LANDIS : We have been very pleased to come Mr. Chairman.

MR. LEVY : May I just make a few observations Mr. Chairman ?

THE CHAIRMAN : Oh yes - by all means Mr. Levy.



MR. LEVY : It so happens that I have had some experience in this field which might interest you. While in London I remember discussing with Lord Beaverbrook, who was associated in films, the effect of the American films on the British public and the way to get more British films into this country.

In this device, you have actually basically and simply an electronic means of distribution whether that be merchandise or ideas. But even before that, when I first went to England, I remember that I persuaded Lord Northcote the Commissioner to the United States, to send a man over to the U.S. and we imbued the Anglo-American Unity League with the idea of having the British Empire and the United States get a little closer together, and try to prevent this world war No. 2, by letting the Germans know that the U.S. would be right there and that it would be impossible for them to win.



To get back to the practical ideas, one of the films I imported made by the United States' Department of Social Hygiene on the subject of v.d., they said you couldn't possibly put that out because you had to have a Ministry of Health certificate and the LCC would oppose it. At that time Lord Addison was Minister of Health and I persuaded Lord Addison to let us put that out commercially. I mention that because I think you have a parallel here. We opened a small theatre on Regent Street in the Strand for a year and a half. I only tell you this because I was interested in the commercial aspect. We gave the Department of Public Social Hygiene 25 per cent of the gross receipts. Likewise, we gave the British Ministry of Health and the L.C.C. another 25 per cent, and the point is this, had you shown it in town halls, as you suggested, you wouldn't have gotten anybody to come because it was free. We showed it in London, Glasgow, Edinburgh, and in fact, many cities. I think this would provide you with an excellent vehicle if we can establish subscription television by having more national films and being able to put them across. If these national ideas were permitted to be presented to the population -- well, there are as many people here as in the United States that haven't had the opportunity to complete the education they would have liked to have had. You could put out any number of educational things that they





would pay a small fee for so it would not only be for that purpose but also it could further Canadian ideas as well. It would enable you to put on those things you appear to fear -- perhaps not fear, but hesitate to do. We don't feel this is entertainment alone. We think that a certain amount of programming could be, as you suggested before, the sustaining type, and as I am suggesting here something that would be good for your public as it is to ours and to give a certain amount of time free. If we could get professional football and such things, even if we had baseball, we still wouldn't have 50 per cent of the available time. I mention that, not because you fear that would encourage too much of what the public gets by sponsorship, where sponsorship dictates the whole thing.

I feel this would be tremendously important to you, because the Government would want to foster Canadian ideas and this would provide you with a medium for that.

THE CHAIRMAN: Wouldn't it be fair to say this might give an opportunity to do things on a smaller scale?

MR. LEVY: Precisely, as I was saying a moment ago, here you don't require your audience in the millions or hundreds or thousands. You can, if you wish, bring the latest techniques in surgery to doctors and surgeons in Canada. This can be done simply by giving them a decoder, or



other system, and you could bring him the latest techniques and he wouldn't have to leave his home to get to a central point where he would only get a partial view of what is going on. He would have the most eminent surgeons and doctors tell him in close-ups as we did over WRTV. The actual close-up on TV and the mirror shots were to avoid the surgeon's hands and the technique of the operation is shown.

THE CHAIRMAN: The essence of the fact is, you might conceivably charge \$10 for a half hour, since you mentioned it, and, are you speaking now of the medical profession?

MR. LANDIS: The smaller the audience the more you have to charge.

MR. LEVY : The medical profession -- we have had offers supporting that from pharmaceutical houses simply to have their name before the public eye. The surgeons that perform the operation don't charge. There are many other things you can convey to the Canadian people, things you want to get across and I feel this would be a most valuable instrument for you to do that in that way, if you want to explore that field.

THE CHAIRMAN: Thank you very much.

We will not be sitting tomorrow. We will resume here at 10 o'clock on Monday morning. Unfortunately Mr. Stewart will not be here with us but he will read the evidence. We will



start with the brief carried over from yesterday. Then, we propose to file into our records a very brief statement, publicly, and a number of briefs, 65 or 70 of them, that we have received from individuals and associations that do not wish to appear. We are not going to make this a detailed outline but we are going to, at least, indicate the bare essence of what is in each brief and get them on to our records and give them exhibit numbers and have them as part of the overall submissions we have received and we hope we can get that done on Monday.

We will then adjourn for approximately a week to October 2nd, when we will begin the final hearings here, which we will call the rebuttal, when we will have the Canadian Labour Congress, the Canadian Association of Radio and Television Broadcasters, and the CBC, in that order starting on October 2nd, Tuesday, to continue until the following Friday adjourning for the Thanksgiving weekend and resuming for whatever time we need on October 9th for that week. We have no way of knowing how long those final hearings will take. That will complete the public hearings of the Commission and we then propose to make visits to Chicago and New York for private consultations with American television authorities and for certain demonstrations. But those will not be open to the members of the public.





They will be private discussions and then, of course, I suppose we will have a further number of private discussions and we are getting near the last lap now of the public hearings of the Commission.

We will adjourn now until Monday morning, 10 o'clock.

---The hearing adjourned at 5.30 p.m.



ROYAL COMMISSION  
ON  
BROADCASTING

HEARINGS

HELD AT

OTTAWA, ONT.      SEPTEMBER 24, 1956

v. 40



ROYAL COMMISSION ON BROADCASTING

Ottawa, Ontario,  
Monday,  
September 24, 1956

PRESENT:

MR. ROBERT M. FOWLER	Chairman
MR. EDMOND TURCOTTE	Commissioner
MR. JAMES STEWART	Commissioner

- - - - -

MR. JOHN M. COYNE	}	Counsel
MR. A. J. de GRANDPRE		

- - - - -

MR. PAUL PELLETIER	Secretary
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APPEARANCES:

COMITE DIOCESAIN D'ACTION CATHOLIQUE ET D'APOSTOLAT LAIC	6796
M. Conrad Charlebois, President	
Mlle Gertrude Lemire, Presidente	
OTTAWA NEWMAN CLUB	6815
Mr. John J. McKenna, President	
Mr. Norbert M. Peters, Group Chairman	
SUMMARY OF SEVENTY BRIEFS	6829

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MEMOIRE DU  
COMITE DIOCESAIN D'ACTION CATHOLIQUE  
ET D'APOSTOLAT LAIC

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## PRESENTS:

M. CONRAD CHARLEBOIS, Président;  
MLLE GERTRUDE LEMIRE, Présidente.

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THE CHAIRMAN: Ladies and gentlemen, we can resume our hearings. You will recall that we had two briefs to be presented last week, which we were unable to complete and those representing them were kind enough to say that they would be able to come this morning, and we appreciate that very much.

The first brief is that of le Comité diocésain d'action catholique et d'apostolat laic, with Mr. Conrad Charlebois and Mlle Gertrude Lemire representing the committee. Would you come forward, Mr. Charlebois and Miss Lemire?

I'll begin by working your brief as Exhibit No. 234, and I think you know our procedure.

EXHIBIT No. 234: Brief of le Comité diocésain d'action catholique et d'apostolat laic.

THE CHAIRMAN: We like to have the brief outlined or read, as the case may be. I must say that I am very sorry that Mr. Stewart was unable to be present; he had to make a trip to Washington, but he said he would read the evidence afterwards. Will you proceed, Mr. Charlebois?



M. CONRAD CHARLEBOIS: Monsieur le président, monsieur le commissaire, si vous me le permettez, je lirai le mémoire au complet puisqu'il ne comporte que 4 feuilles et qu'il serait très difficile de le résumer.

Nous nous plaisons tout de suite à reconnaître que de nombreuses réalisations méritent des félicitations et commandent nos vœux sincères de succès continu et de progrès. Signalons entre autres, comme bons et instructifs parmi les programmes de la dernière année, celui qui est intitulé "Grand-père Caillou"; les émissions du Père Ambroise; les documentaires scientifiques de Fernand Séguin; les documentaires religieux (sur Lourdes par exemple); le programme Pays et Merveilles; les moments récréatifs de la "Clé des champs" et de "Chacun son métier", et d'autres encore.

Cependant, puisque la Commission royale d'enquête sur la télévision a bien voulu nous demander notre avis sur les programmes de télévision, nous indiquerons ci-dessous quelques remarques et quelques suggestions. Ces remarques, nous les faisons à titre d'action catholique de l'archidiocèse d'Ottawa, organisme de coordination des oeuvres d'action catholique et de l'apostolat laïc de l'archidiocèse d'Ottawa pour la section canadienne-française. Par ces conseils diocésains, l'A.C.O. reçoit les doléances des groupements d'adultes et de jeunesse des deux sexes, et donne les directives pour obtenir un front commun dans la formation apostolique de la vie sociale.



Le grand principe qui sert de base à la télévision est qu'elle doit s'adapter aux exigences du milieu, aux circonstances de notre évolution spirituelle, technique, patriotique et culturelle. Certes, le pluralisme ethnique et religieux du Canada doit céder le pas devant ce qui constituerait un défi à la conservation de son identité, mais les deux groupes majeurs pourront avoir des programmes différents de télévision, correspondant à leur mentalité différente. Des deux côtés il y a une résonance commune, un écho naturel, plus ou moins spontané, des faits et des circonstances dans l'esprit et les jugements des personnes qui se sentent responsables et étroitement liées au sort de leur communauté.

Un deuxième principe est que le rôle de formation et d'information qui s'applique à la nouvelle publique, doit aussi être la base de la programmation de la télévision.

Tout d'abord, la télévision doit, comme tous les autres arts, en particulier comme la littérature et le cinéma avec lesquels elle a des rapports étroits, respecter les droits de la morale. Certes, l'art et la morale ont deux objets distinctifs: l'objet de l'art est le BEAU; l'objet de la morale est le BIEN. Faire de l'apostolat une nécessité de l'art serait une erreur. Il ne s'ensuit pas cependant que l'art est indépendant de la morale. La loi de l'activité humaine oblige tout homme - et même l'artiste, parce que l'artiste reste TOUJOURS homme - à établir une relation de conformité entre ses actes et la fin de la vie humaine. Il apparaît ainsi clairement que





"la théorie de l'art indépendant ne repose que sur l'équivoque. Considéré en lui-même, l'art est indépendant en ce sens qu'il a son objet à lui, distinct de celui de la morale; en tant qu'il est exercé par un homme, il doit se soumettre à la loi de l'homme; il est tributaire de la moralité". Cette citation est du révérend Père Sertillanges, O.P. En pratique, la morale n'est pas le but de l'art, mais une régie, une limite, un conseiller bienveillant.

De ce qui précède, il devient évident que la télévision doit bannir l'immoralité ou le grotesque. On peut citer ici, comme pièces ou programmes regrettables, la majeure partie des ciné-feuilletons, certains programmes où la femme, par l'indécence de ses vêtements et l'appât désordonné de ses charmes, devient un vulgaire hochet d'annonce, une bonne proportion des films français pleins de sous-entendus et de remarques troublantes, ainsi que la trop grande abondance de films policiers.

Pour ce qui concerne l'information, la télévision doit tendre à l'objectivité, à la vérité intégrale, et tenir compte des circonstances qui changent la nature des événements ainsi que de l'opportunité de la publication de telle ou telle nouvelle. En particulier, nous demandons que les conférences de presse et les interviews soient plus contrôlés; que les rédacteurs de nouvelles possèdent les qualités techniques indispensables. Quand on dirige l'opinion, on a en mains une arme redoutable. C'est pourquoi si l'information doit être rapide et sûre, elle doit être surtout commentée et adaptée aux



milieux sociologiques qui composent notre nation. L'information doit être également choisie, large, universelle, s'intéressant à tout problème, à toute justice, à toute vérité.

Enfin et surtout - en ce qui regarde l'information - les Canadiens français demandent que le nouvelliste de télévision (comme d'ailleurs le journaliste) s'inspire du point de vue de l'Eglise, en dehors de tout parti politique, fût-il d'inspiration chrétienne, puisqu'il s'adresse à tous les catholiques, et que ceux-ci sont libres de leur opinion politique.

Quant aux réalisations dans le domaine culturel, religieux, économique, politique, récréatif, sportif, il est certain qu'il faut y apporter un grand respect de la justice et de la prudence. En particulier, la télévision comportera justement des représentations pour enfants distinctes des représentations pour adultes. C'est avec raison que la télévision prévoit des émissions spéciales, à heures spéciales, pour les jeunes: de cela, nous en félicitons les services gouvernementaux.

Catholiques, nous aimerions que la télévision ne craigne pas de montrer les oeuvres de charité catholiques à travers le monde, le travail des missionnaires, les charités papales. Invention sociale par excellence, la télévision aidera aux nôtres à se sentir plus frères, plus près les uns des autres, si elle leur montre les réalisations des mouvements mandatés d'action catholique, en même temps que la beauté de la liturgie. Certains programmes, comme la grand'messe du dimanche télévisée,



sont hautement appréciés. Quelle force de rayonnement pour notre foi si l'on y ajoutait par exemple l'explication des autres sacrements; le baptême, pour ne parler que de ce sacrement, se prêterait merveilleusement à une émission de télévision. "La télévision a un profit nécessaire à tirer de la théologie, car c'est elle qui apporte le dernier jugement humain sur l'homme et la connaissance même la plus historique de l'état de l'homme. L'élément le plus fondamental du patrimoine d'une nation est l'élément moral et religieux. Le bien commun lui-même est donc intéressé." Cette citation est du révérend Père Lambert, O.P.

Voilà deux moyens pratiques que nous proposons pour l'amélioration des programmes de télévision:

1. Apprendre aux spectateurs la façon de voir un programme. De même qu'on enseigne à quelqu'un à se servir d'une voiture automobile, ainsi les responsables de la télévision devraient apprendre aux téléspectateurs à profiter des émissions.

2. S'il est clair que les directeurs ne peuvent surveiller toujours et parfaitement les programmes et qu'il convient de partager les responsabilités, nous proposons la création d'un comité consultatif d'avisers, indépendant de toute politique et de toute ingérence civile. Sa mission serait d'observer les programmes; de se rendre compte des réactions des divers milieux, de donner enfin, à la lumière des remarques obtenues, des directives pratiques. Ce comité consultatif serait composé de laïcs, pris dans divers milieux: sportif, intellectuel





éducatif, artistique, et d'un ou de plusieurs  
prêtres compétents. Ce comité n'aurait aucune autorité  
dans l'administration, ce qui n'empêcherait pas une  
juste rémunération. Ce comité aurait sous la main  
tous les instruments de travail nécessaires, en  
particulier les catalogues de pièces ou de films faisant  
autorité: par exemple, le Répertoire des films, Je choisis  
mes auteurs, Je choisis mon théâtre, etc.

Nous remercions la Commission d'enquête de  
sa grande bienveillance et nous lui souhaitons plein  
succès pour le plus grand bien de tous les Canadiens.

THE CHAIRMAN: Thank you very much, Mr.  
Charlebois, for your brief, both for preparing it and  
presenting it. You will realize that it deals with  
only one particular phase of our enquiry, it does not  
cover the whole field, and therefore we may only have  
a few questions on the very special subjects which  
have been dealt with.

M. TURCOTTE: Vos commentaires s'adressent  
surtout aux émissions de télévision française, j'imagine?

M. CHARLEBOIS: Oui, monsieur..

M. TURCOTTE: Dans votre mémoire, vous dites  
que "la télévision, comme tous les autres arts, en  
particulier comme la littérature et le cinéma avec  
lesquels elle a des rapports étroits, doit respecter  
les droits de la morale". A la télévision, affirmez-  
vous que ces droits sont assez souvent violés, en  
ce moment? Je vous demande cela parce que je ne suis  
pas un fervent de la télévision, je ne l'ai jamais  
remarqué beaucoup. Est-ce que vous trouvez que c'est  
habituel ou occasionnel, par accident?



M. CHARLEBOIS: Je dirais que c'est assez souvent.

M. TURCOTTE: Assez souvent?

M. CHARLEBOIS: Oui, dans la façon dont se présentent les choses.

M. TURCOTTE: Avez-vous des programmes en particulier en vue quand vous dites cela, ou est-ce que vous ne voulez pas en désigner par leurs noms?

M. CHARLEBOIS: Nous avons pensé ne pas en nommer en particulier, puisque si nous en désignons un, il faudrait en désigner plusieurs, et cela peut-être dangereux. Je pourrais peut-être me permettre d'en souligner deux qui, à notre avis, ont été parmi les plus remarquables, je dirais, et c'était une pièce intitulé "Le chant du rossignol", de même que "Madame la présidente".

M. TURCOTTE: Ah! oui. Je ne les ai pas vus moi-même, mais j'en ai entendu parler. Ce sont des pièces écrites par des auteurs canadiens, si je ne me trompe pas, du moins relativement au programme de "Madame la présidente", en tout cas?

M. CHARLEBOIS: Oui.

M. TURCOTTE: Quant au "Chant du rossignol", je ne suis pas certain. Est-ce que ce n'est pas une histoire où l'on enseigne le vol?

M. CHARLEBOIS: Exactement.

M. TURCOTTE: Seulement, c'était plus du côté comique. On a dit que l'auteur avait été mal compris et que beaucoup l'ont pris au sérieux. Est-ce que vous en faites une question de morale, alors que



c'était peut-être une erreur de jugement tout simplement de la part de l'écrivain, croyant qu'il serait compris, alors qu'il a été incompris?

M. CHARLEBOIS: Je dirais oui, que cela aurait pu être ça, et cela est peut-être ça. La question était que seulement dans notre opinion, il me semble que la fin du film aurait pu réparer la mauvaise impression qui était créée tout au cours du film; cela finissait de façon à ne pas réparer les mauvaises impressions créées, et qui laissaient croire que c'était une très belle chose que de pouvoir faire chanter le rossignol comme ça.

M. TURCOTTE: Ne l'ayant pas vu, je ne peux pas faire de commentaire, mais c'est mon impression que l'auteur s'était adressé à un public, croyant que c'était une charge, que ce serait pris à la blague, c'était peut-être une erreur de jugement, et qu'il n'a pas été compris. Quant au programme "Madame la présidente", je ne l'ai pas vu. Qu'est-ce que vous lui reprochez?

M. CHARLEBOIS: C'était dénaturer le sens; une femme d'oeuvres était tournée en ridicule.

M. TURCOTTE: Vous parlez aussi dans votre mémoire "de la majeure partie des ciné-feuilletons". Qu'est-ce que vous entendez par ciné-feuilletons? Cela entend que c'est à suivre, n'est-ce pas...

M. CHARLEBOIS: Peut-être aurions-nous dû préciser davantage. Il s'agit ici, dans notre idée, de ces ciné-feuilletons qui passent à la fin des émissions, chaque jour, à onze heures et quart ou onze heures et demie du soir. Ce sont des films





qui sont montrés, qui durent quinze minutes, avant la fin des émissions..

M. TURCOTTE: Et qui se suivent le lendemain aussi?

M. CHARLEBOIS: Qui se suivent le lendemain, de jour en jour.

M. TURCOTTE: Je ne les ai pas vus, je ne veille pas si tard que cela. Est-ce que ce sont des films français?

M. CHARLEBOIS: Des films français, oui.

M. TURCOTTE: Et en général vous les trouvez un peu laids?

M. CHARLEBOIS: Un peu osés; on trouve surtout que le mariage est passablement accroché.

M. TURCOTTE: Parce que vous parlez du film français assez souvent "une bonne proportion des films français pleins de sous-entendus et de remarques troublantes..". J' imagine, naturellement, que les films qui passent maintenant ont déjà passé dans la province de Québec, au cours des années, ce sont des films qui ont déjà du être censurés, et j' imagine qu' on ne va pas plus loin que la censure provinciale, même si ce n' est pas sujet à la censure provinciale?

M. CHARLEBOIS: C' est fort possible qu' ils aient été censurés.

M. TURCOTTE: Parce que ce sont tous des anciens films?

M. CHARLEBOIS: Ou à peu près.

M. TURCOTTE: Naturellement, vous direz peut-être qu' au cinéma les enfants ne sont pas admis,



alors que les adultes le sont, c'est un peu différent, mais d'autre part, à onze heures et quart, je crois que les enfants sont couchés, ou devraient l'être?

M. CHARLEBOIS: Il y a de grands enfants, aussi.

M. TURCOTTE: Il y a aussi autre chose. A la page 3, vous parlez de l'information. "Pour ce qui concerne l'information, la télévision doit tendre à l'objectivité, à la vérité intégrale, et tenir compte des circonstances qui changent la nature des événements ainsi que de l'opportunité de la publication de telle ou telle nouvelle." Est-ce une mise en garde pour l'avenir, ou constatez-vous que l'information, en ce moment, manque d'objectivité. Vous parlez d'information à la télévision, j'imagine, aussi bien qu'à la radio, l'une ou l'autre?

M. CHARLEBOIS: A la télévision surtout.

M. TURCOTTE: Est-ce que vous voyez parfois des informations que vous estimez que le public ne devrait pas connaître, des nouvelles qu'on ne devrait pas donner au public?

M. CHARLEBOIS: Non, il y a plutôt que ce sont des nouvelles qui devraient être données, et qui ne le sont pas.

M. TURCOTTE: Et pourtant, vous dites bien "...ainsi que de l'opportunité de la publication de telle ou telle nouvelle. En particulier, nous demandons que les conférences de presse et les interviews soient plus contrôlés; que les rédacteurs de nouvelles possèdent les qualités techniques indispensables. Quand on dirige l'opinion, on a en mains une arme redoutable".



J'avais l'impression que vous vouliez plutôt que l'on analyse l'information, que l'on fasse en somme de ne pas donner les renseignements de peur qu'ils influencent trop l'opinion publique, et c'est l'inverse que vous voulez, vous demandez qu'on en donne davantage?

M. CHARLEBOIS: Pas nécessairement en quantité, mais il y a des choses qui placées disons de telle façon, ne disent pas exactement toute la vérité. Ainsi, par exemple, si l'on dit que après discussions et rencontres avec le gouvernement de tel pays, l'évêque qui jusqu'à présent était incarcéré est en liberté, cela suppose toutes sortes de choses. Quelles ont été ces rencontres, quelles ont été ces ententes? Parce que d'autres nouvelles arrivent par d'autres sources, à l'effet qu'elles ne sont pas toujours exactes, et même c'est la Presse Associée qui est obligée parfois de nier ce qu'elle a dit précédemment, parce que ce n'est pas arrivé.

M. TURCOTTE: En somme, vous estimez que l'information est incomplète surtout, et non pas fausse, qu'il faudrait donner tous les renseignements. Vous estimez que c'est donné en quelques mots?

M. CHARLEBOIS: C'est plutôt ça que nous voulons dire.

M. TURCOTTE: Et c'est surtout à la télévision?

M. CHARLEBOIS: La radio aussi, mais nous nous sommes contentés de la télévision.

THE CHAIRMAN: Just here, you say, you ask that the press conferences and interviews should be more controlled?





COMMISSIONER TURCOTTE: What he means is "checked".

THE CHAIRMAN: You are not suggesting here that the news should be controlled by the Government or by the CBC, excepting in the sense of being checked and made more accurate, complete?

COMMISSIONER TURCOTTE: The real meaning of "control" is 'check'. Often times, it is used in the English way of "control".

THE CHAIRMAN: In translating this into English, which I have to do unfortunately, by "control", you are asking for more control of news?

M. CHARLEBOIS: Ce n'est pas le même sens en français qu'en anglais. Ce que nous voulons dire par des interviews plus contrôlés, c'est que nous avons remarqué, c'est qu'il arrive au Canada, des différents pays, des gens qui viennent ici en visite, officielle ou non, et qui donnent des conférences de presse, qui donnent leurs impressions à la télévision. Nous avons cru remarquer qu'en plusieurs circonstances, ces gens, soit qu'ils ne soient pas préparés, soit qu'ils ne connaissent pas assez bien le sujet dont ils vont traiter, par rapport au milieu où ils se trouvent, disent des choses qu'ils seraient peut-être aussi bien de ne pas dire dans le public.

M. TURCOTTE: Ah! oui. C'est surtout les étrangers qui font ça?

M. CHARLEBOIS: Les étrangers, oui; dans cette deuxième phrase, ce serait surtout les étrangers qui seraient visés.



M. TURCOTTE: Il faudrait alors exercer un choix plus judicieux des personnes que l'on va interroger?

M. CHARLEBOIS: Ou bien mieux préparer l'interview et les mettre au courant des choses qu'ils ne doivent pas dire de telle ou telle façon.

M. TURCOTTE: D'autre part, ne croyez-vous pas qu'il est important pour le public canadien d'être informé des opinions des étrangers sur les questions internationales aussi bien que sur les questions nationales. Il s'agirait de filtrer les vues - et c'est bien le but des conférences de presse - et si l'on commence à filtrer d'avance ce qu'on va dire, on est aussi bien d'éliminer les conférences?

M. CHARLEBOIS: Sans aller jusque là, nous suggérons qu'il y aurait peut-être moyen de les aider davantage, parce que nous ne visons pas à les paralyser, à les empêcher de donner leurs opinions, mais peut-être qu'en les aidant davantage, on pourrait les empêcher de dire davantage et dans le grand public des choses qui sont prises autrement que ce qu'ils ont l'intention de dire. Il faudrait évidemment ainsi aller dans les détails, mais je ne crois pas que ce soit important, parce que ce ne serait pas le temps.

M. TURCOTTE: Vous avez évidemment des cas particuliers à l'esprit, que vous ne voulez pas citer?

M. CHARLEBOIS: J'aimerais mieux ne pas citer personne.

M. TURCOTTE: Vous parlez aussi de programmes pour enfants. Etes-vous relativement satisfait



des programmes pour enfants qui passent? Nous parlons toujours de la télévision française, j'imagine?

M. CHARLEBOIS: C'est ça.

M. TURCOTTE: Alors?

M. CHARLEBOIS: Pour être sincère et franc, nous croyons que les programmes pour enfants sont très bien faits et peut-être parmi les meilleurs de toute la programmation qui soit, bien préparés avec autant de soin et d'attention, et même si nous félicitons l'organisme de la télévision, nous lui demandons de bien vouloir faire des différences entre les programme d'enfants et d'adultes, à des horaires différents. Si vous me permettez de pousser un petit peu plus loin, je dirais que la ligne horaire qui sépare les programmes pour enfants des programmes pour adultes mériterait, gagnerait à être allongée un petit peu. Ainsi, par exemple, si à sept heures et demie il y a un programme pour enfants qui est très bien et qu'à huit heures il y a un programme pour adultes qui ne doit pas être vu par les enfants, l'espace de temps devient une complication dans le foyer.

M. TURCOTTE: Vous croyez qu'il devrait y avoir une transition après un programme pour enfants, et un programme définitivement pour adultes?

M. CHARLEBOIS: Justement.

M. TURCOTTE: Vous voudriez qu'il y ait une transition d'environ une heure?

M. CHARLEBOIS: Ou une heure et demie.

M. TURCOTTE: Pour leur donner le temps d'aller se coucher?





M. CHARLEBOIS: Oui.

M. TURCOTTE: Et maintenant à la page 4 de votre mémoire, parlant de l'amélioration des programmes de télévision, vous dites "Apprendre aux spectateurs la façon de voir un programme. De même qu'on enseigne à quelqu'un à se servir d'une voiture automobile, ainsi les responsables de la télévision devraient apprendre aux téléspectateurs à profiter des émissions". Il est certain que beaucoup de gens mal entraînés ne profitent pas autant qu'ils le pourraient des programmes qui leur sont destinés, soit pour les récréer, soit pour les instruire. Avez-vous des idées pratiques à suggérer là-dessus? Comment procéderait-on pour leur faire comprendre? C'est une question d'éducation qui ne relèverait pas nécessairement de Radio-Canada ou des postes privés et qui relèverait aussi de l'éducation générale de l'enfance et de l'adolescence, et l'éducation générale, c'est une formation de l'esprit du téléspectateur, qui n'est pas tellement dans le domaine de Radio-Canada, n'est-ce pas?

M. CHARLEBOIS: Peut-être.

M. TURCOTTE: Ce que vous souhaitez serait bien désirable, mais est-ce que c'est bien le rôle de Radio-Canada de commencer à faire l'enseignement à la télévision de la manière de profiter d'un programme. On doit supposer que les adultes sont capables de le faire; s'ils en sont incapables, il y a déjà quelque chose qui fait défaut dans leur esprit.

M. CHARLEBOIS: C'est malheureux qu'il n'y ait pas, comme vous dites, un programme à longue échéance, qui demanderait beaucoup de temps, et nous



admettons bien que ce n'est peut-être pas, que ce n'est pas à Radio-Canada de faire ce programme d'éducation, mais ils pourraient peut-être faire un petit effort, aider en donnant des explications pratiques aux téléspectateurs. Ils le font déjà sur une certaine échelle, et peut-être qu'en intensifiant ce qu'ils font actuellement, cela aiderait davantage à former une bonne mentalité.

M. TURCOTTE: Peut-être avez-vous à l'esprit une formule à peu près semblable à celle que l'on emploie pour les ciné-clubs, soit avant le film, soit après, pour le discuter, discuter de la valeur morale du film, de la valeur esthétique, et ne pas voir seulement des choses, mais savoir qu'il y a une philosophie derrière ce film, un côté esthétique; c'est peut-être ce que vous avez à l'esprit?

M. CHARLEBOIS: Vous devinez juste, parce que nous trouvons que c'est une façon de faire qui est très bien, mais qui, par contre, n'est pas pratique, parce que c'est trop long, s'il fallait faire ça à chacun des programmes, mais qui pourrait peut-être se faire d'une façon pas aussi fréquente que celle qui se donne présentement par des discours fleuris, mais quelques petites leçons comme ça, aux téléspectateurs, courtes, à point, seraient certainement de mise, car autrement, on trouble les esprits, plutôt que de les aider.

M. TURCOTTE: Croyez-vous que Radio-Canada pourrait consacrer 15 minutes par jour au début de ses émissions, pour annoncer les programmes du jour et du soir, et en faisant non seulement



l'énumération statistique de ces programmes, mais en décrivant un peu de quoi il s'agit, et pourquoi. Est-ce que ce n'est pas une méthode qui serait efficace?

M. CHARLEBOIS: Si c'était possible, ce serait certainement une bonne affaire, pour le temps dont il dispose.

M. TURCOTTE: Dois-je conclure qu'en général vous êtes assez satisfait de la programmation de Radio-Canada, sauf les réserves que vous faites en ce moment, qu'en général c'est assez satisfaisant?

M. CHARLEBOIS: En général c'est assez satisfaisant, et ce que nous avons voulu surtout mentionner, ce sont les accrocs qui peuvent être apportés à la morale et c'est surtout cette question-là qui nous intéresse, puisque nous sommes un comité d'action catholique.

M. TURCOTTE: En d'autres termes, vous demandez une surveillance plus étroite, mais en général, vous n'avez pas de remarques graves à faire, sauf sur les détails?

M. CHARLEBOIS: Je ne dirais pas dans les détails, je dirais qu'il y a une quantité de programmes qu'il y aurait moyen de purifier, si je peux appeler ça comme ça, qui auraient besoin d'être examinés avant d'être donnés, et je pourrais peut-être dire qu'il y en aurait 25 pour cent.

THE CHAIRMAN: Have you any comments to make on the programming of the private stations?

M. CHARLEBOIS: Non, nous n'avons pas étudié la programmation des postes privés.





M. TURCOTTE: En entendez-vous dans la région, ici?

M. CHARLEBOIS: Très peu, parce que nous ne sommes pas organisés pour avoir de ces émissions-là ici.

M. TURCOTTE: Il y en a un à Hull?

M. CHARLEBOIS: De la radio?

M. TURCOTTE: Oui.

M. CHARLEBOIS: Pas de télévision.

M. TURCOTTE: La radio a aussi son importance; avez-vous des commentaires semblables à faire quant à la radio?

M. CHARLEBOIS: Nous n'avons pas formulé aucune idée ou commentaire sur la radio.

M. TURCOTTE: C'est surtout au sujet de la télévision?

M. CHARLEBOIS: La télévision, oui.

THE CHAIRMAN: Thank you again for your kindness in coming back, after our delay of last week.

MR. CHARLEBOIS: It is a pleasure to co-operate.

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OTTAWA NEWMAN CLUB

Appearances:

John J. McKenna	President
Norbert M. Peters	Group Chairman

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THE CHAIRMAN: Our next brief is that of the Ottawa Newman Club; Mr. McKenna and Mr. Peters. We will begin by marking this as Exhibit No. 235.

---EXHIBIT NO. 235: Brief of Ottawa Newman Club

MR. McKENNA: Mr. Chairman, may I introduce Mr. Peters, the chairman of the committee which prepared the brief.

THE CHAIRMAN: And you will make the presentation?

MR. McKENNA: Yes.

THE CHAIRMAN: You know our procedure?

MR. McKENNA: Yes, Mr. Chairman. I would like first to commence by noting that there are two corrections in the brief. One is at page 6, at the bottom of the page where the sentence reads: "Approximately one-seventh of the Canadian population is English speaking." The word "Catholic" should be added there, so that it reads, "Approximately one-seventh of the Canadian population is English speaking Catholic."

On page 2 under the heading "Music" the last sentence in the first paragraph reads, "Improvement of the technical quality of many of the FM programmes is to be desired." We have no



evidence of that, and I don't propose to discuss it. I prefer to delete it. Our committee didn't have any technical knowledge.

THE CHAIRMAN: That has taken away one of my questions.

MR. McKENNA: Yes. Mr. Chairman, the brief speaks for itself and I will take the liberty of summarizing it in a quick way, and I would be very glad if you interrupt me at any time for questions. We felt a brief from a party which had no economic axe to grind may be of interest to your Commission, and although we are very small in numbers in comparison with other bodies who have given briefs, nevertheless, we feel representative.

The point in our brief is that the CBC has responsibilities in the cultural and religious fields, and we attempt to outline these responsibilities and to suggest how they should be carried out. In the cultural field we appreciate what has been done in the past and we hope the Corporation continues to endeavour to improve the standards of drama and the like, and we suggest it should not be influenced by adverse criticism particularly when we feel a lot of the criticism is undeserved.

We admit control is necessary, and by control we mean the supervision of the radio stations both CBC and independent.

In the fields of music, dance, art and drama, we make a few suggestions. In the field





of drama we emphasize that while an opportunity should be given to Canadian playwrights to have their plays produced, the criterion should not be the fact that it is Canadian but rather, that the writing is of a high standard. In that respect I don't think that our committee will agree with the suggestion that was made in another brief here, that there should be some sort of tax or embargo on the film programmes or anything of that sort.

THE CHAIRMAN: You would not agree with that?

MR. McKENNA: No. We think a writer stands in the international field, that artistic work is international, and there should not be an attempt to restrict a playwright by any such means. If his writing is of a high standard, then we have to go outside and get it, and there is a lot of talent in Canada.

THE CHAIRMAN: I think the claim -- and I don't mean to adopt it -- but the claim of those who put that point of view is that the author, let us say in the United States, is writing his play or musical work -- or whatever his creative job is -- for a market which is a large one, in the United States, and he, in effect, gets virtually full payment for the United States distribution, and that therefore a programme can be brought over here from the United States at virtually no cost for Canadian distribution.



MR. McKENNA: I see their point.

THE CHAIRMAN: In other words, I think the argument is that if the Canadian artist in the broad sense of that word is to be given any market at all in Canada, the claim is that he should have some encouragement -- or, some subsidy is the alternative method of doing it.

MR. McKENNA: But couldn't it react the other way, that there is always the possibility that if you put some sort of embargo on American writers, they could return the complement.

THE CHAIRMAN: Well, not meaning to adopt these arguments at all, but the argument would be, I think, that an embargo against a Canadian production would not be a matter of any serious consequence, whereas an embargo against American productions would be quite serious from the standpoint of the fare we can get.

MR. McKENNA: Yes, it would.

THE CHAIRMAN: But really you are getting away -- I think what you are saying, in effect, is in these artistic matters it is better to have free movement of ideas of creative work back and forth across the borders of the world. However, the people on the other side argue the pretty tough economics they are faced with. I have used the illustration before in connection with an overall television production, and it is roughly this: that an American variety show may cost \$30,000 to produce, and we may produce



it for \$12,000 or \$15,000, but you can rent the American rights for \$2,000. Is your group concerned about the proportion of American imports into our overall cultural fare?

MR. McKENNA: I don't think there was any serious criticism by the committee in that respect, was there, Mr. Peters?

MR. PETERS: No, there was nothing; no criticism about what has been done in the past with regard to the importation of American programmes, and certainly there has been a great deal of evidence in the broadcasting which we have received during the past few years that there is abundant Canadian talent, and I think it is up to the CBC to decide where it should draw the line as far as the economic factor is concerned.

THE CHAIRMAN: But your group would not be opposed to the notion that in order to have some Canadian programmes, faced with the economics I have just illustrated, that there should, in fact, be public money going into the subsidization of Canadian programmes?

MR. McKENNA: No, we just think of the words "tax" and "embargo".

THE CHAIRMAN: Yes.

MR. McKENNA: One of the main points in our brief is that the CBC should emphasize religious programmes, and not only have more religious films and live shows, but also emphasize plays, panels and the like, which deal with religious subjects.





We hope the CBC will continue to have the religious subject type of programme and endeavour to obtain films on religious subject matter from the United States and elsewhere.

We go on to point out that the English-speaking Catholics compose a substantial part of the population and therefore programmes emphasizing the Catholic point of view on social questions be made available. We point out the English-speaking Catholics are in an unusual position in this country in that the great majority of Catholic TV fare is on the French network. Not that we have any complaint about the quality of the type of religious programme that is attempted; we just feel there isn't enough of it. When you consider Canada's population is over 40 per cent Catholic, and I think I can say without fear of being questioned that well over 50 per cent of Canadians are Christians and attend church, we think the CBC should face this religious matter in the English-speaking field a little more squarely and have more religious content in its panels and discussions. By ignoring religious matter they are to some extent almost opposing it. That is one of the best ways of getting away from any religious problems in broadcasting -- just to stay from it, and I think they should be braver in that respect.

THE CHAIRMAN: Well, does the mere statistic that well over 50 per cent of the



population of Canada is Christian, religiously minded, does that carry you, really, through to your conclusion, because I suppose X per cent are also music lovers, and X per cent are public affairs minded and another percentage are very interested in stamp collecting and baseball and hockey and public discussion and entertainment, dancing, ballet and variety and so on.

MR. McKENNA: Yes, but a lot of Catholics don't hear a religious programme.

THE CHAIRMAN: My point simply is this, that each person in your over 50 per cent Christian attitudes, every person in that also has a dozen other desires pressing on the total radio programming, and isn't it a pretty difficult problem to create balance between all these many interests that people have?

MR. McKENNA: Most of them have. We merely suggest that.

THE CHAIRMAN: You suggest there should be more emphasis placed on the religious interest?

MR. McKENNA: Yes. With respect to education we emphasize the great opportunities in the field, particularly in the television field. However, we point out the danger of CBC, as it is a creature of the Federal Government, and we are put in the position of having an argument with the Provincial authorities of education, and no educational efforts on a national basis should be carried out without the consent of the



Province concerned.

THE CHAIRMAN: That is the policy today. You are not raising any question about the present policy?

MR. McKENNA: No. With respect to children's TV programmes, we know there have been some changes since we wrote the brief, however, we do emphasize children's programmes should be on at proper hours, and during the period when children are viewing TV there should not be any adult programmes of the type that are objectionable.

THE CHAIRMAN: That is also an attempt that is now being made.

MR. McKENNA: Yes, I think the changes this Fall -- we know there have been changes to meet that.

With respect to control, we feel the control of private television broadcasting is necessary in view of the peculiar problems existing in Canada. We do not consider the private stations in the national system are true competitors, since they are part of the national network. We point out the present system has worked satisfactorily, and we understand there is no evidence before this Commission of any hardship suffered by private stations and we feel it is adequate.

THE CHAIRMAN: I see you don't attempt to deal with the financing?

MR. McKENNA: I think we have a comment





in there.

THE CHAIRMAN: On page 10 you say that you have not much to say about financing, but you are in favour of special taxation to support the CBC. What exactly do you mean by that?

MR. McKENNA: Well, in the first place, the problem of taxation is such a complication, and shall we say, in the field of specialists, that the only way our club could attack it would be by going to the individual members and saying, "How much will you stand for taxation?" We have no idea how much is needed. We think that is a matter for specialists, but the only thing we can say is that, "If you are taxed so much a year on your set do you think it is fair?", and the conclusion we came to was that we felt if it was necessary, then each one should pay a license fee, but that a certain portion of it should come out of the Consolidated Revenue Fund because of the fact, as we state in the first paragraph, the whole CBC setup is of such national importance that, therefore, everybody should pay whether they listen or not, but the listener should carry his special share.

THE CHAIRMAN: But when you speak of "special taxation" ...?

MR. McKENNA: We mean per set or per house.

THE CHAIRMAN: Something analogous to a license fee?



MR. McKENNA: Yes, and then it gets down to the taxation specialists as to whether they can collect it.

THE CHAIRMAN: But you were not extending this over to anything more complicated such as an earmarked tax of any kind; you hadn't gone into that kind of detail?

MR. McKENNA: We didn't have the personnel to discuss that.

THE CHAIRMAN: All you are saying is the general point that if it can be done you don't see anything wrong with the individual users of radio and television paying something directly for the services they get?

MR. McKENNA: Yes. I suppose from the point of view of the non-listener it would be necessary to do it some other way. I suppose it is the prime factor in your investigation, and we are sorry we cannot help you any more.

THE CHAIRMAN: Mr. McKenna, at the bottom of your first page you give general commendation to the CBC for quality of much of its broadcasting and you say, "It should not, however, retard this improvement to keep its own productions more in step with what is considered good fare by non-CBC broadcasters. It is not in competition with them for audience." I think we have had a good deal of evidence here that while there may be some doubt about competition in CBC and private stations for



commercial revenues, nobody until you seemed to question the CBC and private stations were in competition for audience. Do you really mean that in its full meaning?

MR. McKENNA: I will attempt to answer it, and then ask Mr. Peters if he has something to say. I am just submitting this.

THE CHAIRMAN: Yes.

MR. McKENNA: What the writer means by "competition" is that -- I think he means the CBC does not have to go down to any popular level in order to keep in being. In other words, there is no economic question involved. I think that is the meaning. It is not to say there is competition for accounts -- he doesn't mean that.

THE CHAIRMAN: No, I was thinking on the narrower point of competition for audience. It may well be there is an economic pressure to get audience, but would you not agree, to put it in its extreme, that there is no possible use the CBC producing a programme of great excellence and nobody listening to it or seeing it and, after all, the purpose of its operation is not to create programmes just for the sake of creating them. The purpose of its function is, surely, to get those programmes out and appreciate it and known and accepted. So, in that sense is it accurate to say there is no competition for audience?

MR. McKENNA: No, I agree. I have





read that over several times, and the only explanation I can give you is that one, that there is not really an economic competition.

THE CHAIRMAN: Really you are saying it is not competition for commercial audience?

MR. McKENNA: That is right.

THE CHAIRMAN: Mr. Peters, have you anything to add?

MR. PETERS: Very little, except this, sir, that the CBC is in a position under the present set-up where it can more or less determine the standard of programme which it is going to present regardless of competition especially in the field of television, because almost all our televising is done through CBC -- through the national network.

THE CHAIRMAN: But have you any suggestion from your group as to anything the CBC could do to get its fare to market, so to speak?

MR. McKENNA: You mean the Toronto market?

THE CHAIRMAN: I am not talking about the particular marketing of programmes in terms of commercial sponsorship. What I am thinking of is, for instance, driving down here this morning I had the radio on and listened to an excellent programme of good music. Now, is the only way the CBC can move to just keep pumping good music out and hope that sooner or later somebody like me will stumble on it? Is there anything they can do to bring the knowledge of that to the attention of the listeners as to their desirability, and so on, of them paying attention to it --



listening?

MR. McKENNA: It is fairly difficult because a thing like music has to stand on its own feet for audience, but possibly through musical organizations throughout the country, if the CBC went to them for cooperation, like the people in Ottawa, through the publicity organization of the Symphony, because a lot of these people are appreciative of the CBC, and in the investigations of this Commission a great number of organizations have come forward and said that, and that is one of the reasons we felt we should come and say so, because our committee did feel the CBC is doing an excellent job.

THE CHAIRMAN: Has your group any comments to make on the job the private stations are doing?

MR. McKENNA: No, because in a captive audience they haven't had any experience of private stations.

THE CHAIRMAN: You are speaking of television?

MR. McKENNA: Yes.

THE CHAIRMAN: How about radio?

MR. McKENNA: I turn to Mr. Peters: is there any discussion on the private stations in the brief?

MR. PETERS: I think the general view of most of the members on the committee was that if a person was to be subjected to one station



for a long period of time, it would be far better if he were subject to the national network station rather than a private network station.

THE CHAIRMAN: Well, gentlemen, thank you very much for your briefs. It deals with a couple of points we have to consider, which are more particularly directed towards programming, and I think I asked my questions as we went along.

MR. McKENNA: Thank you, very much.





THE CHAIRMAN: We now have a fairly long and it may be a fairly dull procedure which is necessary, which is the filing of approximately seventy briefs which we have received and on which people who have submitted the briefs have not indicated a desire to come and present them and be subjected to questioning. We feel these briefs should go into our official records and should be then part of, so to speak, the Commission's study. We don't feel it is necessary to read in these seventy briefs in extenso, but what we have done is to assign to them numbers, and have prepared, I hope as completely as you can do such a thing, a very brief summary of what the briefs deal with, so that anybody who wants to go further into them can pick them out and they become public property when they are thus filed.

Mr. Pelletier, you have seen to the preparation of this group of briefs and the summaries, and I think you are prepared to present these outlines to us this morning.

MR. PELLETIER: Yes, Mr. Chairman.

THE CHAIRMAN: I think I shall ask you, if you will, for my book, to arrange that I have a listing of these exhibit numbers so that I can put them right in my book. Perhaps the other Commissioners would like it also. I suggest that you start the reading of these summaries, and assign at the beginning of each one the exhibit number that you have given it, which we will take into the record in that way, and when you get



weary you can adjourn for a few minutes, or hand over to Mr. Fox or me to read for a while.

MR. PELLETIER: Fine, sir. If it is agreeable to the Commission, I plan to read these into the record in the order in which they were received by the Commission -- chronologically.

THE CHAIRMAN: That is as good a way as any.

MR. PELLETIER: The first one is a brief from Roy Ward Dickson Independent TV Productions, Exhibit No. 236.

EXHIBIT NO. 236: Brief of Roy Ward Dickson  
Independent TV Productions.

MR. PELLETIER: This submission recommends the establishment of an FCC type of board staffed with experts in the various phases of broadcasting. This board would have the power to issue, revoke and otherwise control licensing, subject to appeal to the courts. It would formulate and enforce the regulations governing all radio and television and deal with international matters such as channels, etc.

The CBC should be retained under a new name, as an operating non-commercial broadcasting body.

Immediate steps should be taken to pass on TV licence applications wherever they are available.

Sizeable tax or licence-cost concessions should be made to TV stations that log a specific minimum percentage of Canadian origin programming in a calendar year.

The next brief is that of the Industrial



Development Board of Greater Winnipeg, which will be Exhibit No. 237.

EXHIBIT NO. 237: Brief of the Industrial Development Board of Greater Winnipeg.

MR. PELLETIER: This brief strongly advocates that there should be fewer government restrictions in the control, regulation and development of private radio and TV industries, and that there should be an end to government monopoly of TV in Greater Winnipeg.

Exhibit No. 238 is the brief of Mr. Creighton Aquin, Boston, Mass.

EXHIBIT NO. 238: Brief of Mr. Creighton Aquin, Boston, Mass.

MR. PELLETIER: This brief suggests that the CBC should operate on a similar basis to that of the Tennessee Valley Authority in the United States. In this manner it could plan, build and operate radio and TV outlets under government financing and sponsorship, then sell or rent to private concerns.

The brief also suggests the employment of outside consultants by the CBC Board of Governors to determine all future projects, and suggests further the construction of a radio and television city, much on the same basis as the National Film Board's new building.

The next brief is from the Oshawa Chamber of Commerce, No. 239.

EXHIBIT NO. 239: Brief of the Oshawa Chamber of Commerce.





MR. PELLETIER: The submission recommends the establishment of a communication authority with representation from government and private radio stations, and also feels that a bigger and better radio and television service by free enterprise could be operated without the taxpayer having to pay \$50 million each year for the service.

The brief following, Exhibit No. 240, is that of Mr. S. A. Blangstad.

EXHIBIT NO. 240: Brief of Mr. S. A. Blangstad.

MR. PELLETIER: This submission recommends the appointment of a Canadian Communications Commission to regulate all Canadian communications, radio and television, CBC and private stations.

The CBC would become completely non-commercial in its operations, and would be responsible for all cultural developments in Canada via radio and television. Financing of the CBC would be through annual grants voted by Parliament.

Private stations would operate exclusively on a commercial basis restricted only by the availability of finances and the common rules and regulations framed by the Canadian Communications Commission.

The next brief is that of Mr. Z. Malecki, which will be marked Exhibit No. 241.

EXHIBIT NO. 241: Brief of Mr. Z. Malecki.

MR. PELLETIER: This brief recommends that operational fees be charged to private TV



stations and that licences for receiver owners should be introduced.

More licences for private TV stations should be given which would assist in the development of local talent, and better ways of presenting commercial messages should be considered.

Then follows a brief from the University of British Columbia Radio and Television Society, Exhibit No. 242.

EXHIBIT NO. 242:      Brief of University of British  
Columbia Radio and Television  
Society.

MR. PELLETIER:    In its submission the Society describes its history and purpose and relates the assistance given by private radio stations in broadcasting programmes produced by the Society.

In the field of television the Society feels that the CBC's policy of developing Canadian talent should be extended to the development of trained personnel for radio and television station operation.    It also recommends that the Board of Governors of the CBC and the Government of Canada set aside radio frequencies and television channels for the various universities in Canada desiring such facilities.

The Society feels that there is a definite need for the CBC in the fields of radio and television broadcasting in Canada.    However, regulation and licensing of all radio and television in the public interest, would best be handled by a separate regulatory body, similar to the FCC



in the United States.

The Society deplored the Government's policy of monopoly television in the large centres of this country.

The next brief is that of the North York (Ontario) Home and School Council, which we shall mark Exhibit No. 243.

EXHIBIT NO. 243:      Brief of the North York (Ontario)  
Home and School Council.

MR. PELLETIER:      The basic consideration in the planning of children's programmes should be the fact that children are the adult audience of the future. Great care should be exercised to find the right material and the right influences in the use of the mass media for children. Therefore programme planners, directors and producers should be selected on the basis of their professional training and education in the field of children's work. While it is recognized that some sponsorship by commercial advertisers should be allowed the CBC should have full authority to write and edit the commercial messages. It is also suggested that the CBC should initiate a project for the production of syndicated children's films for television.

The brief of Broadcasting Station CKOC Hamilton, Ontario, will be marked Exhibit No. 244.

EXHIBIT NO. 244:      Brief of Broadcasting Station  
CKOC Hamilton, Ontario.

MR. PELLETIER:      CKOC includes, as the main





part of its brief, letters of commendation from organizations and individuals attesting to the valuable public service which has been rendered by this broadcasting station to the community which it serves. CKOC also endorses the brief of the Canadian Association of Radio and Television Broadcasters.

The next brief is that of Mary H. O'Brien, which will be marked Exhibit No. 245.

EXHIBIT NO. 245: Brief of Mary H. O'Brien.

MR. PELLETIER: This submission calls for the following reforms of broadcasting in Canada.

1. CBC should be divested of control of Canadian airways. Such control should be exercised by a body directly responsible to Parliament.
2. CBC should be divested of control of the commercial radio and television industry.
3. An independent regulatory body should be established.
4. Commercial radio and television stations should be permitted to form their own networks.

Following that is the brief of Mr. A. M. Burston, Toronto, Exhibit No. 246.

EXHIBIT NO. 246: Brief of Mr. A. M. Burston, Toronto.

MR. PELLETIER: This brief recommends a CBC controlled network for radio and television and a private network of radio stations, revenues



from the latter network being taxable and the private stations being responsible for any losses incurred. Private stations should be allowed in all areas now monopolized by the CBC television stations on the understanding that they use 49 per cent of Canadian unionized talent in the programme time period.

Then there is a brief from The Anglican Church of Canada, which will be marked Exhibit No. 247.

EXHIBIT NO. 247:      Brief of The Anglican Church of Canada.

MR. PELLETIER:      The CBC in its religious broadcasts should seek to achieve the same high standards of theme and programme as it does with other programmes, and should also exercise more direct supervision of clergy and people and so use the medium of broadcasting to the best advantage.

It was felt that in its religious department, the CBC is inadequately staffed to carry out its responsibilities.

The Anglican Church of Canada suggests that more programmes of religious discussions should be broadcast.      The Church also recommends the CBC for its high level of cultural and children's programmes and urges that moral and cultural values be safeguarded by some form of public control of Canadian programmes such as is at present in existence.

Exhibit No. 248 is that of the Saskatchewan Library Association.



EXHIBIT NO. 248:      Brief of the Saskatchewan  
Library Association.

MR. PELLETIER:      This Association wishes to commend the CBC for the work it has done towards the encouragement of reading through its book reviews, short stories on the air, and dramatization of good books. Such work can only be provided by a publicly owned and generously tax-supported radio system.

The CBC should be generously supported so that it can extend and continue its good work.

With the rapid development of television perhaps more radio time might be available for artistic and educational programmes.

The next brief is that of the Canadian Radio and Television League, which we shall mark Exhibit No. 249.

EXHIBIT NO. 249:      Brief of the Canadian Radio  
and Television League.

MR. PELLETIER:      The brief submitted by this organization suggests that:

1. The present arrangements re broadcasting be continued without material change.
2. The finances be put on a secure footing by direct parliamentary appropriation.
3. No separate regulatory board be set up.
4. The CBC enforce its regulations.
5. The government consider seriously restricting the operation of radio and television stations by newspaper owners.





The brief of the University Women's Club of Calgary, Alberta, follows.

EXHIBIT NO. 250:      Brief of the University  
Women's Club of Calgary,  
Alberta.

MR. PELLETIER:    This submission feels that the control of broadcasting in Canada should remain the responsibility of the CBC.

It is recommended that financial requirements of CBC should be met through statutory grants given for a period of at least five years. It is further recommended that a variety of programmes should be provided by the CBC to suit different tastes in fair proportion.

The next brief is that of the Associated Boards of Trade of Central British Columbia and the Yukon. We will mark that Exhibit No. 251.

EXHIBIT NO. 251:      Brief of the Associated Boards  
of Trade of Central British  
Columbia and the Yukon.

MR. PELLETIER:    This brief submits that provision should be made for the operation, when desired, of a regional network connecting Prince Rupert, Terrace and Kitimat. It is also urged that greater radio coverage be given to the areas which the Associated Boards of Trade represent.

Next is the brief of Canadian General Council -- The Boy Scouts Association, Exhibit No. 252.

EXHIBIT NO. 252:      Brief of Canadian General  
Council -- The Boy Scouts  
Association.



MR. PELLETIER: The Boy Scouts Association expresses its appreciation to Canadian Broadcasting Corporation for the interest which the Corporation has taken in the youth of this country.

The Association recommends that the CBC continue to exercise strict control over the quality of their programmes, increasing, if possible, coverage given to youth activities of a worthwhile nature, and stressing an appreciation of good music and sportsmanship, healthy adventure, and clean fun.

The Association further recommends an increase in the number of programmes dealing with Canadian history and Canadian life in all its aspects, in order that the youth of Canada may be inculcated with a pride in their Canadian citizenship.

The brief of The Priory of Canada of The Most Venerable Order of the Hospital of St. John of Jerusalem, Exhibit No. 253, follows.

EXHIBIT NO. 253: Brief of The Priory of Canada of the Most Venerable Order of the Hospital of St. John of Jerusalem.

The brief of this organization expresses gratitude for all that has been done by radio and television in extending St. John's usefulness in Canada in assisting in its annual appeal for funds, and in giving direction, guidance and supervision in publicising the many phases of St John's activities both in war time and peace.

We now come to the brief of the



Canadian Council of Churches, which is Exhibit No. 254.

EXHIBIT NO. 254:      Brief of the Canadian Council of Churches.

MR. PELLETIER:    The Canadian Council of Churches submits that the CBC has as large a measure of responsibility towards the religious aspect of Canadian life as towards any other, and that ways of meeting this responsibility more satisfactorily should be found.    For instance, consultation between the National Religious Advisory Council and CBC should be more frequent and more extensive.

The Council recommends that all present types of religious programmes be continued and that there should be more religious talks and panel discussions and a greater number of religious programmes for children.    Greater use of the television medium should also be made for the broadcasting of religious programmes.    The CBC should also accept some responsibility for occasional workshops for the training of broadcasters for religious programmes.

EXHIBIT NO. 255:      Brief of the Saskatchewan Federation of Labour, CLC.

This submission expresses the belief that public control of sound and television broadcasting is wise and desirable, and that a separate regulatory body is not required.

The Federation is also of the opinion that sufficient funds must be made available to





the CBC to discharge its responsibilities, and the means by which this may be accomplished is through public expenditures. In the matter of programming it is suggested that a "CBC Labour Forum" be re-instituted.

Next is the brief of The Business Girls Sodality of Our Lady of Fatima, Sydney, N.S., Exhibit No. 256.

EXHIBIT NO. 256: Brief of The Business Girls Sodality of Our Lady of Fatima, Sydney, N.S.

MR. PELLETIER: This brief suggests the CBC should ensure that care be taken in the selection and production of programmes for children. Suggestions for better programming are given with respect to religion, music, health, news, sports, science and quiz programmes. It is further suggested that careful consideration be given to all possible types of administration of broadcasting in Canada so that the emergent system will be for the common good.

The next brief is that of The Quebec Association of Acadian Students, which we shall mark Exhibit No. 257.

EXHIBIT NO. 257: Brief of The Quebec Association of Acadian Students.

MR. PELLETIER: The Quebec Association of Acadian students is grateful to the CBC for what has already been done for the French speaking element in the Maritimes. However, there should be relay stations installed to make better use of the Moncton



station CBAT, especially for the Southwest portion of Nova Scotia.

Concerning TV, there is nothing for the French-speaking maritimer; TV relay stations should be installed from Rimouski.

We now come to the brief of the Western Federation of the Sir Ernest MacMillan Clubs, Exhibit No. 258.

EXHIBIT NO. 258: Brief of the Western Federation of the Sir Ernest MacMillan Clubs.

MR. PELLETIER: To ensure that radio and television in Canada will be used to give the fullest expression and encouragement to the natural and artistic talents of the people of this country, and to the dissemination of as widespread a discussion and interchange of ideas, cultural, educational political and philosophical as is possible, this submission feels that the CBC must be financed from general revenues of the Federal Government. Reliance on commercial revenues will mean the introduction of a low standard of entertainment in broadcasting to the exclusion of more worthwhile programmes.

Then follows the brief of the St. Catharines and District Chamber of Commerce, which we shall mark Exhibit No. 259.

EXHIBIT NO. 259: Brief of The St. Catharines and District Chamber of Commerce.

MR. PELLETIER: This submission feels that radio broadcasting in the interests of freedom



of speech should be unhampered by state institution. The power of the CBC to censor is a direct contradiction of the democratic right to freedom of speech and expression. By applying its powers over networks' operations, the CBC has restrained competition in the national advertising field. By maintaining its networks monopoly the CBC has also discouraged the development of Canadian talent.

The transmitter licence fee represents double and discriminatory taxation, and should be reduced to a fair and reasonable flat rate. Finally, the Chamber feels that the strict state control exercised by the CBC interferes with the invaluable service rendered by private stations at the community level.

Next, the brief of The Community Arts Council of Vancouver, Exhibit No. 260.

EXHIBIT NO. 260: Brief of The Community Arts Council of Vancouver.

MR. PELLETIER: The Community Arts Council of Vancouver feels that more could be undertaken by the CBC in having national networks' shows originate in the various regions across the country in order that regional talent may not be starved to the benefit of centrally concentrated talent.

The Council also recommends that public interest in radio and television broadcasting should be fully protected in the fields of both policy and operation, and that the CBC should be well and fully





subsidized with public funds.

We now have the brief of the Alliance Francaise de Toronto and the French Cine Club of Toronto, Exhibit No. 261.

EXHIBIT NO. 261: Brief of the Alliance Francaise de Toronto and the French Cine Club of Toronto.

MR. PELLETIER: The brief recommends that:

1. A repeater station be set up in Toronto to make French network programmes of the CBC available to listeners in the metropolitan area of Toronto.

2. That if the experiment is successful it be repeated in other centres.

3. That eventually this service be made available to all Canada.

4. That the relayed programmes from France be made available to Toronto.

The next brief is that of the Regina Library Association, which we shall mark Exhibit No. 262.

EXHIBIT NO. 262: Brief of the Regina Library Association.

MR. PELLETIER: The Regina Library Association recommends:

1. Avoidance of sponsored programmes as much as possible.

2. Greater use of Canadian material of quality.

3. Use of more book reviews and



discussions, especially of notable Canadian material.

4. Concentration by CBC on quality programmes.

5. Provision of adequate budget for the CBC.

Exhibit No. 263 is the brief of the Canadian Arab Friendship League.

EXHIBIT NO. 263: Brief of the Canadian Arab Friendship League.

MR. PELLETIER: The CBC should strive to remain an institution dedicated to the advancement of a national spirit among all citizens of this country, whether born here or not.

The League is opposed to a policy of carrying advertising on CBC radio programmes. The League suggests that the production of plays concerning religious subjects be placed in the hands of the respective creed or church, and also suggests that the CBC should provide free time for political discussions designed to promote a better understanding between citizens and nations.

The brief of John J. Pollock and Howard A. Prentice follows -- Exhibit No. 264.

EXHIBIT NO. 264: Brief of John J. Pollock and Howard A. Prentice.

MR. PELLETIER: These gentlemen are from Niagara on the Lake and St. Catharines.

This submission praises the value of private stations in bringing farm programmes to rural areas and suggests that the Government



should remove itself from the radio broadcasting business.

We have now a brief from Bernard Benoist, of Montreal, Quebec, which we shall mark Exhibit No. 265.

EXHIBIT NO. 265:      Brief of Bernard Benoist,  
Montreal, Quebec.

MR. PELLETIER:    The use of channels and air waves must be controlled by the Government.

Radio broadcasting and TV must be at the service of education. Universities should be permitted licences for broadcasting and the Federal Government should keep its right to control them; but the content of the programmes and their nature should be under provincial authority.

The next brief is that of The Humanities Association of Canada, Exhibit No. 266.

EXHIBIT NO. 266:      Brief of The Humanities  
Association of Canada.

MR. PELLETIER:    The Humanities Association of Canada expresses the view that the CBC should be allowed to continue to exercise its autonomy in all matters pertaining to policy and programming and that every effort should be made to maintain its high standards in face of the danger of controlling commercial interests. As revenue from the tax on sets purchased will rapidly diminish the loss will have to be made up from the public treasury of Canada.

Now, the brief of the Jeune Commerce de





Chicoutimi, Exhibit No. 267.

EXHIBIT NO. 267:

Brief of the Jeune Commerce  
de Chicoutimi.

MR. PELLETIER: The Jeune Commerce de Chicoutimi recommends the establishment of an independent regulatory board to control both public and private broadcasting.

It is also felt that the State should exercise an intelligent and fair censorship of programme material, and that programmes should be Canadian in their essence representing both French and English culture.

A brief from the Academie Canadienne Francaise is next, which we will mark Exhibit No. 268.

EXHIBIT NO. 268:

Brief of the Academie  
Canadienne Francaise.

MR. PELLETIER: Canadian writers should have an opportunity to contribute more to Radio and TV broadcasting; so far it seems they have been prevented in doing their share.

Forums should last at least one hour and be better prepared; the language used, especially French, should be the best.

We have another brief from The Humanities Association of Canada, but this one is from the Winnipeg Branch. It will be Exhibit No. 269.

EXHIBIT NO. 269:

Brief of The Humanities  
Association of Canada --  
Winnipeg Branch.



MR. PELLETIER: This submission presents in summary form answers to a questionnaire on the subject of broadcasting which was circulated amongst the membership of the Winnipeg Branch of the Association.

The comments by members ranged from a reference to leaving the CBC as presently constituted to a dismantling of the CBC and placing broadcasting entirely in the hands of private enterprise.

The next brief is that of Mr. V. M. Snow, East Kildonan, which we shall mark as Exhibit No. 270.

EXHIBIT NO. 270: Brief of V. M. Snow,  
East Kildonan.

MR. PELLETIER: This brief suggests that it may be better if the Federal Government left the radio and television field to private enterprise.

Competition is the way in which broadcasting will progress. Competition should also improve the form, style and class of programmes.

Then follows a brief from the Knights of Columbus Ontario State Council, Exhibit No. 271.

EXHIBIT NO. 271: Brief of Knights of Columbus,  
Ontario State Council.

MR. PELLETIER: The Knights of Columbus of Ontario suggest that anything of a corruptive nature should not be broadcast, emphasizing particularly the necessity of guarding carefully the content of children's programmes, that more opportunity be given to Canadian talent, that we



have fewer CBC staff-produced plays, that nothing of a communist nature be shown, and finally that Bishop Sheen's programmes be continued.

Exhibit No. 272 is that of the Windsor-Essex-Kent Regional Committee of the Labor-Progressive Party.

EXHIBIT NO. 272: Brief of the Windsor-Essex-Kent Regional Committee of the Labor-Progressive Party.

MR. PELLETIER: This brief submitted the following recommendations:

1. CBC should establish a TV booster station in Windsor.
2. CBC should have a larger percentage of French programming in the Windsor area.
3. CBC should strengthen its regulation on advertising.
4. Private stations ought to provide a higher percentage of live Canadian shows.

The next brief is that of the Men's Musical Club Limited, of Winnipeg, and will be marked Exhibit No. 273.

EXHIBIT NO. 273: Brief of the Men's Musical Club Limited, Winnipeg.

MR. PELLETIER: The Men's Musical Club Limited feels that broadcasting in Canada has developed into an unhealthy condition, and that it will not be possible for all elements of broadcasting to work together for the welfare of the State until a separate regulatory body is established.





The Club is also of the opinion that the costs of providing adequate and satisfactory broadcasting service should be borne by a combination of commercial sponsorship and general national revenue.

The brief of Arthur J. Ceretti, of Winnipeg, will be marked Exhibit No. 274.

EXHIBIT NO. 274: Brief of Arthur J. Ceretti, Winnipeg.

MR. PELLETIER: This submission favours the establishment of further TV stations in the Winnipeg area.

Next is a brief from a Group of Winnipeg Citizens, Exhibit No. 275.

EXHIBIT NO. 275: Brief of a Group of Winnipeg Citizens.

MR. PELLETIER: This submission recommends that additional TV licences be granted in the Winnipeg area. It is felt that an expansion of the TV industry would mean much to the City of Winnipeg as regards employment.

We have a brief from Alex S. Mowat, Professor of Education at Dalhousie University. We shall mark this Exhibit No. 276.

EXHIBIT NO. 276: Brief of Alex S. Mowat, Professor of Education, Dalhousie University.

MR. PELLETIER: This submission favours the continuation of the present broadcasting arrangements in Canada whereby both public and private broadcasters contribute to the system.



The next brief is that of Mr. W. James Beale of Montreal, Exhibit No. 277.

EXHIBIT NO. 277: Brief of Mr. W. James Beale of Montreal.

MR. PELLETIER: This brief suggests that better Canadian material, in the way of artists, musicians, producers, directors and existing written material suitable for programme production, is available and should be used by the CBC. It is suggested also that an investigation should be undertaken to ascertain the reasons for the generally low standards of the CBC.

Now, the brief of The Community Welfare Council of Windsor, Exhibit No. 278.

EXHIBIT NO. 278: Brief of The Community Welfare Council of Windsor.

MR. PELLETIER: The Community Welfare Council of Windsor believes that the CBC is essential to the promotion of Canadian unity and to the development of Canadian culture. The Council is proud of the performance of the CBC to date, and feels that the Corporation should be adequately financed in order to enable it to maintain its high quality of service.

Next is a brief from the Broadcasting Station CKCK and CKCK/TV, Regina, Saskatchewan, which we shall mark Exhibit No. 279.

EXHIBIT NO. 279: Brief of the Broadcasting Station CKCK and CKCK/TV, Regina, Saskatchewan.



MR. PELLETIER: The two submissions support the brief presented by the Canadian Association of Radio and Television Broadcasters and outlines the community service activities of both CKCK Radio and CKCK Television.

The brief of the Dauphin Chamber of Commerce is next, Exhibit No. 280.

EXHIBIT NO. 280: Brief of the Dauphin Chamber of Commerce.

MR. PELLETIER: The Dauphin Chamber of Commerce submits that the CBC should limit its field of work to radio and television broadcasting and that there should be an independent regulatory board to govern broadcasting in Canada.

A brief submitted by the Canadian Broadcaster and Telescreen of Toronto follows, and it will be marked Exhibit No. 281.

EXHIBIT NO. 281: Brief of The Canadian Broadcaster and Telescreen of Toronto.

MR. PELLETIER: This submission takes the form of lithographed reproductions of thirty-three articles which have appeared in the Canadian Broadcaster and Telescreen during 1955. The purpose of the selection of these articles is to reflect factually the wide scope of the public usefulness of private radio and television broadcasters of Canada.

We have next a brief from Dr. J. J. Cada, of Ottawa, Exhibit No. 282.





EXHIBIT NO. 282: Brief of Dr. J. J. Cada,  
of Ottawa.

MR. PELLETIER: The submission of Dr. J. J. Cada expresses the view that the amount of money which is to be spent on broadcasting should be determined by objectives to be attained, and should be in a proper relation to the prosperity of our country. Satisfaction is expressed as to the manner in which finances are presently provided. It is recommended, however, that a continuing economic and financial commission within the CBC be established to consider financial and economic problems related to broadcasting.

Now, a brief from the Canadian Federation of Mayors and Municipalities, which we shall mark as Exhibit No. 283.

EXHIBIT NO. 283: Brief of The Canadian Federation of Mayors and Municipalities.

MR. PELLETIER: In general, municipal opinion throughout Canada is strongly in favour of placing private and publicly owned broadcasting, both radio and television, on an equal and competitive footing and subject to the same rules, regulations and disciplines. To achieve this end it would seem desirable and expedient to set up an independent and regulatory board divorced from the CBC, and which would exercise its jurisdiction over all media of broadcasting, both public and private.

Municipal opinion was also of the view that broadcasting requires regulations in the public interest. These regulations should be in



keeping with democratic ideals, moral standards and national ambition and well-being.

Next is a brief from the Property Owners Association of Calgary, Exhibit No. 284.

EXHIBIT NO. 284:        Brief of The Property Owners Association of Calgary.

MR. PELLETIER:    The Property Owners Association of Calgary wishes to go on record urging the Federal Government to set up and establish an independent board of regulations for Canadian broadcasting.

We have also a brief from Ron Gostick of Flesherton, Ontario, which we shall mark as Exhibit No. 285.

EXHIBIT NO. 285:        Brief of Mr. Ron Gostick, Flesherton, Ontario.

MR. PELLETIER:    This brief deals with alleged news slanting and communistic propaganda on the CBC.

Next is the brief of the Canadian Red Cross Society, Exhibit No. 286.

EXHIBIT NO. 286:        Brief of the Canadian Red Cross Society.

MR. PELLETIER:    The Canadian Red Cross Society wishes to place on record their deep appreciation of the many services provided by the CBC and the privately owned radio and television stations of Canada.    Examples of these services are cited in the brief.



Now follows the brief of The Ontario Modern Language Teachers Association, which will be marked Exhibit No. 287.

EXHIBIT NO. 287: Brief of The Ontario Modern Language Teachers Association.

MR. PELLETIER: This Association urges that re-transmission facilities be set up in Toronto to make French network programmes of the CBC available in the Greater Toronto area, and if this experiment is successful it should be repeated in other areas of Ontario, and eventually throughout Canada.

Mr. R. J. Bruce, of Val d'Or, Quebec, submits the next brief, Exhibit No. 288.

EXHIBIT NO. 288: Brief of Mr. R. J. Bruce, Val d'Or, Quebec.

MR. PELLETIER: This brief proposes the establishment of a regulatory body for broadcasting, similar to the FCC in the United States, with the power to revoke licences of radio and TV stations for substandard performances or violation of an established code.

We have also a brief submitted by Mrs. Leo F. Cain, of Fredericton, New Brunswick, which we will mark as Exhibit No. 289.

EXHIBIT NO. 289: Brief of Mrs. Leo F. Cain, Fredericton, New Brunswick.

MR. PELLETIER: This submission praises the public service rendered by private stations





and suggests that it is unfair that these stations must submit to regulations from the CBC, which is a competitor. Because the role which the CBC is called upon to play in our national life is a tremendously serious one, it is absolutely necessary that a thorough reorganization and a most adequate supervision be effected.

Next is a brief from J. Findlay, General Secretary of The Chartered Engineers of Ontario, Toronto -- not yet incorporated -- and this brief will be marked as Exhibit No. 290.

EXHIBIT NO. 290:

Brief of J. Findlay,  
General Secretary of The  
Chartered Engineers of  
Ontario, Toronto, Ontario  
-- Not Yet Incorporated.

MR. PELLETIER: This brief suggests production of programmes dealing with engineering and scientific personalities and industries. The development of Canadian talent and colour television, and the introduction of a closed circuit TV on technical lines to assist local technical schools training are also recommended.

A brief from La Chambre de Commerce de Chicoutimi will be marked Exhibit No. 291.

EXHIBIT NO. 291:

Brief of La Chambre de  
Commerce de Chicoutimi.

MR. PELLETIER: The role of radio and TV in Canada is to make every part of the country known to its people; this part of the country does not have the facilities to make itself known



through these media. Chicoutimi, consequently, would like to be on the national TV network.

A Committee should be formed to study the content and quality of programmes, also the time allotted to each category, such as national and international news, science, history, music and sports.

Next, a brief from Miss Barbara May, Aylmer East, Quebec, Exhibit No. 292.

EXHIBIT NO. 292: Brief of Miss Barbara May, Aylmer East, Quebec.

MR. PELLETIER: This brief suggests the use of subscription television. Also suggested is programme simplification, better timing of programmes depending on their nature and greater use of television as a means of educating children.

Now, a brief from Saskatchewan Agricultural Societies Association, which will be marked Exhibit No. 293.

EXHIBIT NO. 293: Brief of Saskatchewan Agricultural Societies Association.

MR. PELLETIER: This submission points out the value of radio programming on matters of interest to listeners in rural areas, and suggests that further programming by CBC to aid rural and farm communities should be undertaken.

Brief of Radio Station CJVI of Victoria, British Columbia, is next, and will be marked as Exhibit No. 294.



EXHIBIT NO. 294: Brief of Radio Station  
CJVI, Victoria, B.C.

MR. PELLETIER: Radio Station CJVI outlines its origin, development, and public service contributions to the community which it serves, and endorses the brief of the CARTB.

We also have a brief from the Community Chest of Greater Toronto, and will mark this as Exhibit No. 295.

EXHIBIT NO. 295: Brief of The Community  
Chest of Greater Toronto.

MR. PELLETIER: The Community Chest of Greater Toronto expresses its appreciation of the services rendered both by the CBC and private stations in the health and welfare field through the media of television and radio.

The Community Chest of Greater Toronto urges the continuance of public service programmes such as the series of programmes by the CBC on the subject of mental health.

The Community Chest of Greater Toronto suggests that consideration be given to the problem of time availability for local programming in large population centres such as Toronto where there is but one television outlet, particularly for the broadcast of local news.

Now follows the brief of Canadian Mental Health Association, Saskatchewan Branch, Exhibit No. 296.

EXHIBIT NO. 296: Brief of Canadian Mental Health  
Association, Saskatchewan Branch.





MR. PELLETIER: This brief recommends that in view of the staggering burden of mental illness in Canada, the radio and television media should take full account of the needs for a concerted and intensified attack upon the problem, and that the educational forces of private radio and television stations which would assist in promoting good mental health in our communities should be further encouraged and supported.

The next brief is that of the Canadian Retail Federation, which we will mark as Exhibit No. 297.

EXHIBIT NO. 297: Brief of The Canadian Retail Federation.

MR. PELLETIER: The Canadian Retail Federation feels that revenues required by the CBC in excess of those received through commercial means should be obtained, not by the excise tax which is discriminatory, and not by "licence" for receiving sets which is a nuisance tax proven expensive to collect, but rather from general revenues of the country.

Such a procedure should mean that Parliament would scrutinize the expenditures of the Corporation annually and that the peoples' elected representatives would authorize such expenditure on behalf of the Corporation as they saw fit.

Now, a brief from the Canadian Lutheran Council, Division of Public Relations, which will be marked Exhibit No. 298.



EXHIBIT NO. 298: Brief of the Canadian Lutheran Council, Division of Public Relations.

MR. PELLETIER: This submission requests further free time, not necessarily Sundays, be made available for religious broadcasts, and that the CBC continue to refuse to sell time for religious broadcasts on its stations.

While suggesting that the CBC invite the churches to provide ideas, scripts, and consultations for the production of programmes having a specific Christian content, the Council commends the role played by the National Religious Advisory Council as liaison between the CBC and Canadian Churches and feels the services of the NRAC should be retained.

Next the brief of Mr. C. Syd Matthews, of Toronto, Exhibit No. 299.

EXHIBIT NO. 299: Brief of Mr. C. Syd Matthews, Toronto, Ontario.

MR. PELLETIER: This brief raises a number of questions regarding the obligation, right, or duty of the state to engage in the field of broadcasting, in such activities as providing news to citizens, entertaining citizens, importing foreign programmes, selling merchandise, propagandizing and subsidizing advertisers.

The next brief is from Miss Deborah Bogue, of Ottawa, Ontario, and we shall mark this brief as Exhibit No. 300.



EXHIBIT NO. 300:

Brief of Miss Deborah Bogue,  
of Ottawa, Ontario.

MR. PELLETIER: This brief suggests that if the CBC is not competing with private broadcasting stations it should get out of the commercial side of affairs and run a purely cultural programming service. If the CBC is to continue to stay in the commercial field it should not regulate its competitors, but be under the authority of a separate body, impartial to both broadcasting systems.

We have also the brief of the Northwestern Ontario Regional Committee of the Labour Progressive Party, Exhibit No. 301.

EXHIBIT NO. 301:

Brief of the Northwestern  
Ontario Regional Committee  
of the Labour Progressive  
Party.

MR. PELLETIER: This submission suggests that the financial requirements of the CBC should be obtained from an excise tax on radio and TV sets and parts, through an increased licence fee from privately-owned stations, from tariffs from broadcasting material imported into Canada, with the balance required to be met by statutory grants.

Next is the brief of La Federation des Caisses Populaires Acadiennes Limitee, Caraquet, New Brunswick, which will be Exhibit No. 302.

EXHIBIT NO. 302:

Brief of La Federation des  
Caisses Populaires Acadiennes  
Limitee, Caraquet, N.B.

MR. PELLETIER: The CBC should take a greater interest in the educational problems of





adults in Acadia, and take into account that the educational problems of the French-speaking population are different from those of Quebec.

The CBC is not giving the French-speaking element of the Maritimes its fair share of programmes with only the one radio station in Moncton for three provinces.

The CBC should study the possibilities of a French TV station in New Brunswick.

Then, a brief from the Newfoundland Board of Trade of St. Johns, Newfoundland, which we shall mark as Exhibit No. 303.

EXHIBIT NO. 303: Brief of the Newfoundland Board of Trade, St. Johns, Newfoundland.

MR. PELLETIER: The Newfoundland Board of Trade urges:

1. The establishment of a separate regulatory body.
2. The CBC to expand its services in Newfoundland, as the services of privately-owned radio and television stations.

Now, the brief of the Society of Music Enthusiasts of Toronto, Ontario, which will be marked as Exhibit No. 304.

EXHIBIT NO. 304: Brief of The Society of Music Enthusiasts of Toronto, Ontario.

MR. PELLETIER: The Society of Music Enthusiasts suggests that additional funds should be supplied to the CBC for extension of its



frequency modulation facilities across Canada and that the power of existing FM transmitters should be substantially increased. Secondly, consideration should be given to providing an FM station for both the National and Dominion networks' programmes in all major metropolitan areas.

Frequency modulation broadcasting is the only means whereby the music lover can obtain true high fidelity reproduction of music from radio broadcasting.

Last is the brief of Mr. O. K. Kendall, of Ottawa, which we shall mark as Exhibit No. 305.

EXHIBIT NO. 305:            Brief of Mr. O. K. Kendall,  
Ottawa, Ontario.

MR. PELLETIER:    The brief of Mr. Kendall includes the following suggestions:

1.    Voting representation on the Board of Governors of the CBC be given to private broadcasters.
2.    Section 22 of the Broadcasting Act be revoked.
3.    Private stations be made responsible for a fair share of television networks production.
4.    Further licensing of television stations be on the basis of one six-channel UHF station for each community.
5.    That six commercial national networks should be a television objective, with CBC programmes being released in turn, over each of the networks.



That concludes all the briefs received with the exception of the three whose authors asked that they not be made public.

THE CHAIRMAN: Certainly I can say this, after reading the summaries there is no lack of diversity of opinion in Canada on radio and television. It may be we should make a careful re-check to be sure we have not missed any of those briefs and if we have or if submissions that were indicated earlier do come in between now and the resumption of our hearings we could perhaps take 10 or 15 minutes to complete this summary so that the record is all there. I am just thinking there may be some in the gathering together or in the indications that we have had that may still come in within the next few days.

MR. PELLETIER: As a matter of fact I am told there is one in this morning.

THE CHAIRMAN: I am thinking of that and there are one or two others that might be added to the list and dealt with in the same way as you have dealt with these.

Well, that completes the programme for today. It may be of some assistance to the members of the press if I indicated what the programme is from here on. We are going to adjourn now until the second of October and the intervening week will be taken up with some very necessary private sessions which we must have and some personal discussions, some preparation





of the very important final hearings that we will start here in Ottawa on October 2nd. At that time we will not be meeting in this room but in the Railway Committee Room which is next door. The schedule for those hearings will start with a supplementary in rebuttal brief or submission of the Canadian Labour Congress which will then be followed by some supplementary representations and extensive questioning of the Canadian Association of Radio and Television Broadcasters and, similarly, they will be followed by a final rebuttal hearing with the Canadian Broadcasting Corporation.

I have not got my notes here as to what I said but I might perhaps recall that when we announced the original plan last April 30 at the opening session here in Ottawa I made it clear that the rebuttal hearings were primarily intended to allow the two main bodies, the CBC and the CARTB to concentrate at the outset on their main submissions and not feel it necessary to try to anticipate every possible point that might be raised during the summer months and the subsequent hearings. In other words, there should be no deliberately holding back of important points at the beginning but that we would be available to hear comments on public opinion as expressed through both those bodies. Having said that at the outset I do not want to depart from it; at the same time, I do think it is only



fair to say as you work over a problem such as this and hear more expressions of opinion about it, views may change and may develop and I do not think anybody should feel any embarrassment about altering their position as expressed at the outset if, in fact, their views have changed. In other words, this is not a court of law where the evidence is firm and definite, where it is not subject to change and where opinions may undergo certain development. I do not want anyone to feel that we are going to embarrass them by saying, "Well, you are saying one thing now and you said something different some months ago".

There is one other thing; I made clear at the outset that we all knew very little about this business of radio and television back last April and that while we would be questioning the two main briefs, the CBC and the CARTB as much as we could at that time, we did reserve the right to question at large when we got to the final rebuttal hearings when we perhaps would know a little more about the subject than we did on April 30. Our questioning is not going to be restricted necessarily to new points that have arisen during the summer but we may try to go into the whole subject as fully as we can. That probably means that we are under no time pressures as far as the rebuttal hearings are concerned and I am going to suggest to the other members of the Commission and the Secretary that we should perhaps not have quite as long days as



we have had in the last two or three weeks in order to get through our complete agenda. We had heavy sessions in both Montreal and here in Ottawa and I think to do the job properly we had better take a fair amount of time over it and, therefore, we will start on October 2 and will continue until the following Friday; we will adjourn for the Thanksgiving weekend and resume on Tuesday, October 9 and carry on for as much of that week as we need to complete properly and adequately the final public sessions. After that we are going to have to investigate something of the American experience with a visit to Chicago and New York the week of October 15 and there will also have to be, I have no doubt, many further inquiries and private discussions and meetings of the Commission and meetings with various people who may be able to give us some help when we finish the sessions in Ottawa some time in the week of October 8th. At that time we will be through our public hearings as far as we now know.

I think that is the plan or arrangement and we will adjourn now until 10.30 a.m. on October 2nd in the Railway Committee Room here in the parliament buildings.

---The Commission adjourned at 12.15 p.m.

(page 6750 follows)

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